| | | | | | ST DEPARTMENT DIVISION O | | URAL RESO | | ES | | AMENI | FC DED REPOR | RM 3 | |
|--|--|----------------------|----------------|----------------|-------------------------------------|-----------------|---------------|-------|-------------|--------------------------|---------------------|-----------------|---------------|----------------|
| | | AF | PPLICATION FO | OR PERM | IIT TO DRILL | | | | | 1. WELL NAME and N | | 921-36E1 | cs | |
| 2. TYPE O | F WORK | DRILL NEW WELL | REENTER | P&A WELL | . DEEPEN | WELL (|) | | | 3. FIELD OR WILDCA | T NATURAL | BUTTES | | |
| 4. TYPE O | F WELL | | | | hane Well: NO | | | | | 5. UNIT or COMMUNI | TIZATION | AGREEM | ENT NAM | 1E |
| 6. NAME (| OF OPERATOR | | KERR-MCGEE OIL | | | | | | | 7. OPERATOR PHONE | 720 92 | 0 6515 | | |
| 8. ADDRE | SS OF OPERAT | | | | · | | | | | 9. OPERATOR E-MAI | L | | | |
| P.O. Box 173779, Denver, CO, 80217 julie.jacobson@anadarko.com 10. MINERAL LEASE NUMBER 11. MINERAL OWNERSHIP 12. SURFACE OWNERSHIP | | | | | | | | | | .com | | | | |
| (FEDERAI | L, INDIAN, OR S | TATE) ML 22265 | | FED | DERAL ND | DIAN 🔵 | STATE 值 |) FE | EE 🔵 | FEDERAL IN | DIAN 🔵 | STATE | F | EE 🔵 |
| 13. NAME OF SURFACE OWNER (if box 12 = 'fee') 14. SURFACE OWNER PHONE (if box 12 = 'fee') | | | | | | | | | | | | | | |
| 15. ADDR | 15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 16. SURFACE OWNER E-MAIL (if box 12 = 'fee') | | | | | | | | | | | | | |
| 17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') 18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS 19. SLANT | | | | | | | | | | | | | | |
| (II box 12 | - INDIAN) | | | YES | S (Submit C | Commingli | ng Applicatio | n) N | 10 🔵 | VERTICAL DI | RECTION | AL 📵 H | HORIZON | ral 🔵 |
| 20. LOC | ATION OF WELL | - | | FOOTAGE | ES | QTR | R-QTR | s | ECTION | TOWNSHIP | R | ANGE | МЕ | RIDIAN |
| LOCATIO | ON AT SURFACE | | 153 | 8 FNL 79 | 1 FWL | SW | VNW | | 36 | 9.0 S | 2 | 1.0 E | | S |
| Top of U | ppermost Proc | lucing Zone | 194 | 4 FNL 82 | 1 FWL | SW | VNW | | 36 | 9.0 S | 21.0 E | | S | |
| At Total | Depth | | 194 | 4 FNL 82 | 1 FWL | SW | VNW | 36 | | 9.0 S 21 | | 21.0 E S | | S |
| 21. COUN | ITY | UINTAH | | 22. DI | STANCE TO NEA | REST LEA 821 | | et) | | 23. NUMBER OF ACR | ES IN DRI 63 | | IT | |
| | | | | | STANCE TO NEA ied For Drilling (| | eted) | POOL | | 26. PROPOSED DEPT MD: | | TVD: 105 | 92 | |
| 27. ELEV | ATION - GROUN | ID LEVEL | | 28. BC | OND NUMBER | 108 | 9 | | | 29. SOURCE OF DRIL | | | | |
| | | 5010 | | | | 22013 | 542 | | | WATER RIGHTS APPR | 43-8 | | PPLICAB | LE |
| | | | | | Hole, Casing | | | | | | | | | |
| String Surf | Hole Size | Casing Size 8.625 | 0 - 2610 | Weight 28.0 | Grade & T | | Max Mu | | - | Cement Type V | | Sacks 180 | Yield 1.15 | Weight 15.8 |
| - Suii | 12.20 | 0.023 | 0 - 2010 | 20.0 | J-55 E1 | | 0.2 | | Class G | | | 270 | 1.15 | 15.8 |
| Prod | 7.875 | 4.5 | 0 - 10622 | 11.6 | HCP-110 | LT&C | 13. | 0 | Prer | mium Lite High Stre | ngth | 320 | 3.38 | 12.0 |
| | | | | | | | | | | 50/50 Poz | | 1530 | 1.31 | 14.3 |
| | | | | | А | TTACHN | MENTS | | | | | | | |
| | VER | RIFY THE FOLLO | WING ARE AT | FACHED I | IN ACCORDAN | ICE WITH | H THE UTA | H OIL | . AND GAS | CONSERVATION G | ENERA | L RULES | | |
| № w | ELL PLAT OR M | AP PREPARED BY | LICENSED SURVE | YOR OR E | NGINEER | | COMP | LETE | DRILLING PI | _AN | | | | |
| AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER | | | | | | | | | | | | | | |
| I DII | DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) TOPOGRAPHICAL MAP | | | | | | | | | | | | | |
| NAME D | anielle Piernot | | | TITLE R | egulatory Analys | t | | | PHONE 720 | 929-6156 | | | | |
| SIGNATU | SIGNATURE DATE 12/19/2011 EMAIL danielle.piernot@anadarko.com | | | | | | | | | | | | | |
| | BER ASSIGNED 047522780 | | | APPROV | /AL | | | | Boll | Ryll | | | | |
| | | | | | | | | | Perm | it Manager | | | | |

Morgan State 921-36E Pad Drilling Program

Kerr-McGee Oil & Gas Onshore. L.P.

MORGAN STATE 921-36E1CS

Surface: 1538 FNL / 791 FWL SWNW BHL: 1944 FNL / 821 FWL SWNW

Section 36 T9S R21E

Unitah County, Utah Mineral Lease: ML-22265

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. & 2.a <u>Estimated Tops of Important Geologic Markers</u>: <u>Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations</u>:

| <u>Formation</u> | <u>Depth</u> | <u>Resource</u> |
|------------------|--------------|-----------------|
| Uinta | 0 - Surface | |
| Green River | 1,379' | |
| Birds Nest | 1,665' | Water |
| Mahogany | 2,163' | Water |
| Wasatch | 4,623' | Gas |
| Mesaverde | 7,324' | Gas |
| Sego | 9,518' | Gas |
| Castlegate | 9,566' | Gas |
| MN5 | 9,992' | Gas |
| TVD = | 10,592' | |
| TD = | 10,622' | |

2.c Kerr McGee Oil & Gas Onshore LP (Kerr McGee) will either drill to the the Blackhawk formation, which is part of the Mesaverde formation, or the Wasatch/Mesaverde formation. If Kerr McGee drills to the Blackhawk formation (part of the Mesaverde formation), please refer to MN5 as the bottom formation. The attached Blackhawk Drilling Program includes Total Vertical Depth, Total Depth, and appropriate casing and cement programs for the deeper formation.

If Kerr McGee drills to the Wasatch/Mesaverde formation please refer to Sego as the bottom formation. The attached Wasatch/Mesaverde Drilling Program includes Total Vertical Depth, Total Depth, and appropriate casing and cement programs for the depths the Wasatch/Mesaverde formations are found.

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

1 of 9

API Well Number: 43047522780000

Morgan State 921-36E Pad

Drilling Program
2 of 9

4. Proposed Casing & Cementing Program:

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

5. <u>Drilling Fluids Program:</u>

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

6. <u>Evaluation Program</u>:

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

7. <u>Abnormal Conditions</u>:

7.a Blackhawk (Part of Mesaverde Formation) Target Formation

Maximum anticipated bottom hole pressure calculated at 10592' TVD, approximately equals 6,991 psi (0.66 psi/ft = actual bottomhole gradient)

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 4,709 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

7.b Wasach/Mesaverde Target Formation

Maximum anticipated bottom hole pressure calculated at 9518' TVD, approximately equals 6,092 psi (0.64 psi/ft = actual bottomhole gradient)

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,984 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. <u>Variances:</u>

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- · Blowout Prevention Equipment (BOPE) requirements;
- · Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

Morgan State 921-36E Pad

Drilling Program

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Morgan State 921-36E Pad Drilling Program
4 of 9

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Variance for FIT Requirements

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

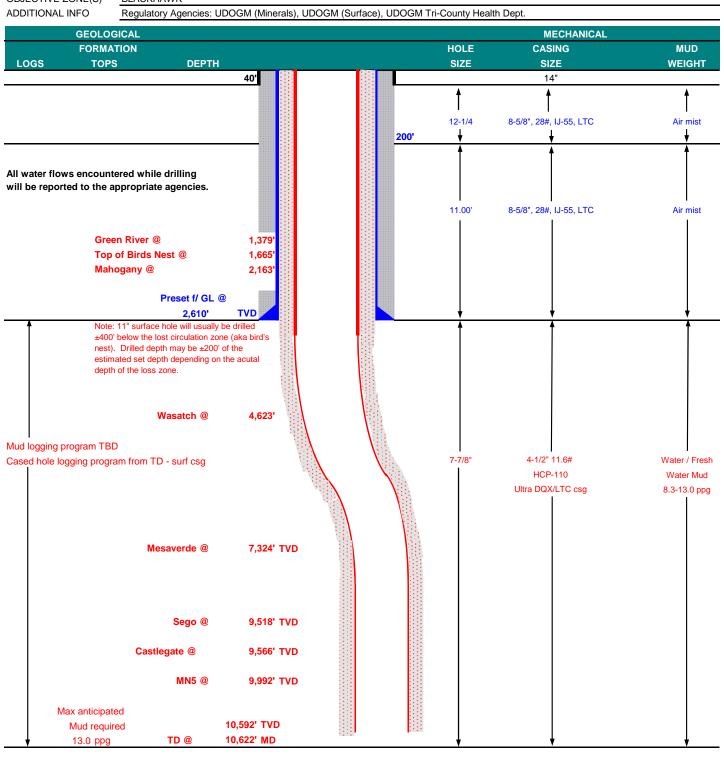
10. Other Information:

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program



KERR-McGEE OIL & GAS ONSHORE LP BLACKHAWK DRILLING PROGRAM

| COMPANY NAME KER | R-McGEE OIL & | GAS ONSHORE | LP | | DATE | December | 19, 2011 | | |
|---------------------|----------------|-------------------------|----------------|-------------|----------|----------------|--------------|------------|--|
| WELL NAME MO | RGAN STAT | E 921-36E1C | S | | TD | 10,592' | TVD | 10,622' MD | |
| FIELD Natural Butte | COUNTY | COUNTY Uintah STATE Uta | | | FINIS | SHED ELEVATION | 5,007' | | |
| SURFACE LOCATION | SWNW | 1538 FNL | 791 FWL | Sec 36 | T 9S | R 21E | | | |
| | Latitude: | 39.995557 | Longitude | : -109.50 | 5969 | | NAD 27 | | |
| BTM HOLE LOCATION | SWNW | 1944 FNL | 821 FWL | Sec 36 | T 9S | R 21E | | | |
| | Latitude: | 39.994442 | Longitude | : -109.50 | 586 | | NAD 27 | | |
| OBJECTIVE ZONE(S) | BLACKHAWK | • | | | • | • | | | |
| ADDITIONAL INFO | Regulatory Age | encies: UDOGM (| Minerals), UDO | GM (Surface | e). UDOG | M Tri-County F | lealth Dept. | | |





KERR-McGEE OIL & GAS ONSHORE LP BLACKHAWK DRILLING PROGRAM

| CASING PROGRAM | <u> </u> | DESIGN FACTORS | | | | | | | | | |
|----------------|----------|----------------|-------|---------|-------|---------|-------|--------|----------|---------|---------|
| _ | | | | | | | | | | LTC | DQX |
| | SIZE | INT | ERVA | L | WT. | GR. | CPLG. | BURST | COLLAPSE | TE | ENSION |
| CONDUCTOR | 14" | (|)-40' | | | | | | | | |
| | | | | | | | | 3,390 | 1,880 | 348,000 | N/A |
| SURFACE | 8-5/8" | 0 | to | 2,610 | 28.00 | IJ-55 | LTC | 2.06 | 1.54 | 5.44 | N/A |
| | | | | | | | | 10,690 | 8,650 | 279,000 | 367,174 |
| PRODUCTION | 4-1/2" | 0 | to | 5,000 | 11.60 | HCP-110 | DQX | 1.19 | 1.21 | | 3.72 |
| | 4-1/2" | 5,000 | to | 10,622' | 11.60 | HCP-110 | LTC | 1.19 | 1.21 | 5.34 | |

Surface Casing:

(Burst Assumptions: TD = 13.0 ppg) 0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @ 9000 psi) 0.66 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

| | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGHT | Ī | YIELD |
|----------------------|-------------|--|--------------|---------------|----------|---|-------|
| SURFACE LEAD | 500' | Premium cmt + 2% CaCl | 180 | 60% | 15.80 | | 1.15 |
| Option 1 | | + 0.25 pps flocele | | | | | |
| TOP OUT CMT (6 jobs) | 1,200' | 20 gals sodium silicate + Premium cmt | 270 | 0% | 15.80 | | 1.15 |
| | | + 2% CaCl + 0.25 pps flocele | | | | | |
| SURFACE | | NOTE: If well will circulate water to | surface, opt | ion 2 will be | utilized | | |
| Option 2 LEAD | 2,110' | 65/35 Poz + 6% Gel + 10 pps gilsonite | 190 | 35% | 11.00 | | 3.82 |
| | | + 0.25 pps Flocele + 3% salt BWOW | | | | | |
| TAIL | 500' | Premium cmt + 2% CaCl | 150 | 35% | 15.80 | | 1.15 |
| | | + 0.25 pps flocele | | | | | |
| TOP OUT CMT | as required | Premium cmt + 2% CaCl | as req. | | 15.80 | | 1.15 |
| PRODUCTION LEAD | 4,122' | Premium Lite II +0.25 pps | 320 | 35% | 12.00 | | 3.38 |
| | | celloflake + 5 pps gilsonite + 10% gel | | | | | |
| | | + 0.5% extender | | | | | |
| TAIL | 6,500' | 50/50 Poz/G + 10% salt + 2% gel | 1,530 | 35% | 14.30 | | 1.31 |
| | | + 0.1% R-3 | | | | | |

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

| SURFACE | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe |
|------------|--|
| PRODUCTION | Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well. |
| | |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

| Surveys wil | ll be taken | at 1,000' | minimum | intervals. |
|-------------|-------------|-----------|---------|------------|
| | | | | |

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

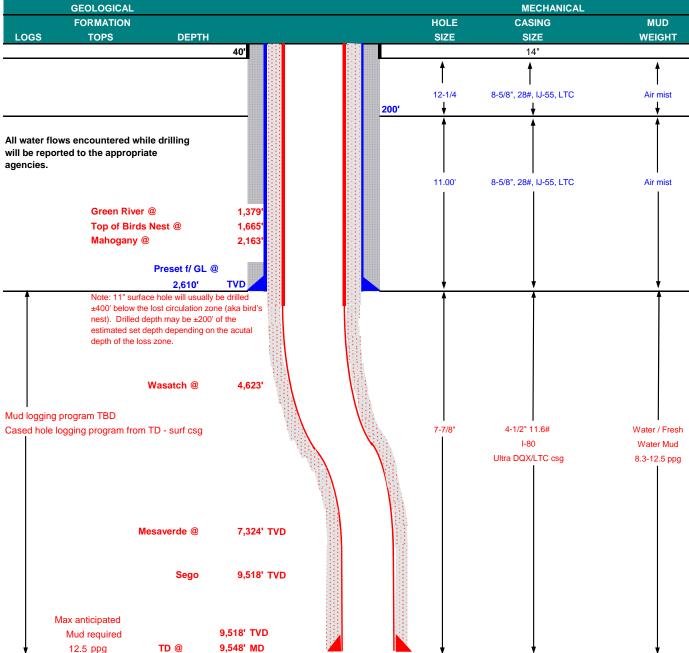
| | Wost figs have FVT System for muu | monitoring. If no FVT is available, visual monitoring will be utilized. | | |
|----------|-----------------------------------|---|-------|--|
| DRILLING | ENGINEER: | | DATE: | |
| | | Nick Spence / Danny Showers / Chad Loesel | _ | |
| DRILLING | SUPERINTENDENT: | | DATE: | |
| | | Kenny Gathings / Lovel Young | _ | |

^{*}Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained



KERR-McGEE OIL & GAS ONSHORE LP WASATCH/MESAVERDE DRILLING PROGRAM

| ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | | <u>WAS/</u> | <u>ATCH/M</u> | <u>ESA\</u> | <u>/ER</u> [| <u>DE DRI</u> | <u>LLING PR</u> | <u>OGRAM</u> | |
|---|----------------------|--------------|----------------|-----------------|-------------|--------------|---------------|-----------------|--------------|----------|
| COMPANY NAME | KER | R-McGEE OIL | & GAS ONSHOR | E LP | | DATE | Decembe | r 19, 2011 | | |
| WELL NAME | МО | RGAN STA | TE 921-36E10 | CS | | TD | 9,518' | TVD | 9,548' MD | <u> </u> |
| FIELD Natura | FIELD Natural Buttes | | | Uintah S | TATE Uta | h | FINI | SHED ELEVATION | 5,007' | |
| SURFACE LOCAT | TION | SWNW | 1538 FNL | 791 FWL | Sec 36 | T 9S | R 21E | | | |
| | | Latitude: | 39.995557 | Longitude: | -109.50 | 5969 | | NAD 27 | | |
| BTM HOLE LOCA | TION | SWNW | 1944 FNL | 821 FWL | Sec 36 | T 9S | R 21E | | | |
| | | Latitude: | 39.994442 | Longitude: | -109.50 | 586 | | NAD 27 | | |
| OBJECTIVE ZONE | E(S) | Wasatch/Mes | saverde | | | | | _ | | |
| ADDITIONAL INFO | О | Regulatory A | gencies: UDOGM | (Minerals), UDC | OGM (Surfa | ce), UDO | GM Tri-Count | y Health Dept. | | |
| GE | OLOG | ICAL | | | | | | MEC | HANICAL | |
| F | ORMA | TION | | | | | HOLE | CASIN | G | MUD |
| LOGS | TOPS | | DEPTH | | | | SIZE | SIZE | | WEIGHT |
| | | | 40' | | | | | 14" | | |
| | • | • | | | | | † | <u></u> | | <u></u> |





KERR-McGEE OIL & GAS ONSHORE LP

WASATCH/MESAVERDE DRILLING PROGRAM

| CASING PROGRAM | <u>VI</u> | DESIGN FACTORS | | | | | | | | | |
|----------------|-----------|----------------|-------|--------|-------|-------|-------|-------|----------|---------|---------|
| | | | | | | | | | | LTC | DQX |
| | SIZE | INT | ERVA | L | WT. | GR. | CPLG. | BURST | COLLAPSE | TE | NSION |
| CONDUCTOR | 14" | (|)-40' | | | | | | | | |
| | | | | | | | | 3,390 | 1,880 | 348,000 | N/A |
| SURFACE | 8-5/8" | 0 | to | 2,610 | 28.00 | IJ-55 | LTC | 2.06 | 1.54 | 5.44 | N/A |
| | | | | | | | | 7,780 | 6,350 | | 267,035 |
| PRODUCTION | 4-1/2" | 0 | to | 5,000 | 11.60 | I-80 | DQX | 1.11 | 1.03 | | 2.98 |
| | | | | | | | | 7,780 | 6,350 | 223,000 | |
| | 4-1/2" | 5,000 | to | 9,548' | 11.60 | I-80 | LTC | 1.11 | 1.03 | 5.22 | |

Surface Casing:

(Burst Assumptions: TD = 12.5 0.73 psi/ft = frac gradient @ surface shoe ppg)

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @ 7000 0.64 psi/ft = bottomhole gradient psi)

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

| | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGH1 | Г | YIELD |
|---------------------|-------------|--|--------------|---------------|----------|---|-------|
| SURFACE LEAD | 500' | Premium cmt + 2% CaCl | 180 | 60% | 15.80 | | 1.15 |
| Option 1 | | + 0.25 pps flocele | | | | | |
| TOP OUT CMT (6 jobs | 1,200' | 20 gals sodium silicate + Premium cmt | 270 | 0% | 15.80 | | 1.15 |
| | | + 2% CaCl + 0.25 pps flocele | | | | | |
| SURFACE | | NOTE: If well will circulate water to | surface, opt | ion 2 will be | utilized | | |
| Option 2 LEAD | 2,110' | 65/35 Poz + 6% Gel + 10 pps gilsonite | 190 | 35% | 11.00 | | 3.82 |
| | | + 0.25 pps Flocele + 3% salt BWOW | | | | | |
| TAII | 500' | Premium cmt + 2% CaCl | 150 | 35% | 15.80 | | 1.15 |
| | | + 0.25 pps flocele | | | | | |
| TOP OUT CM | as required | Premium cmt + 2% CaCl | as req. | | 15.80 | | 1.15 |
| PRODUCTION LEAD | 4,118' | Premium Lite II +0.25 pps | 320 | 35% | 12.00 | | 3.38 |
| | | celloflake + 5 pps gilsonite + 10% gel | | | | | |
| | | + 0.5% extender | | | | | |
| TAII | 5,430' | 50/50 Poz/G + 10% salt + 2% gel | 1,280 | 35% | 14.30 | | 1.31 |
| | | + 0.1% R-3 | | | | | |

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

| SURFACE | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe |
|------------|--|
| PRODUCTION | Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well. |
| | |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

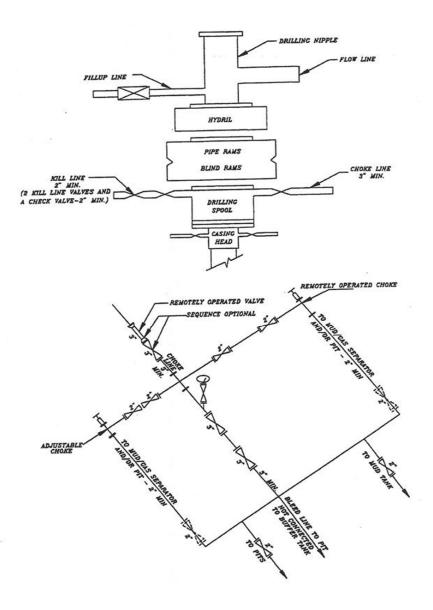
BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

| Surveys will be taken at 1,000' minimum intervals | ŝ. |
|---|----|
|---|----|

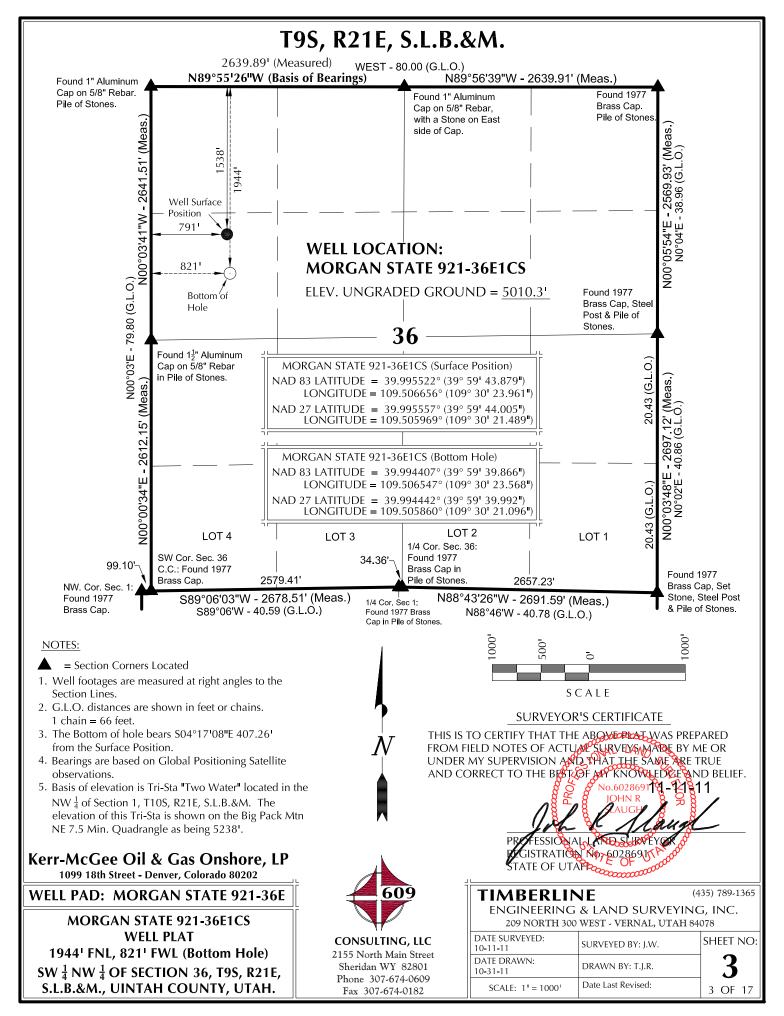
| | Most rigs have PVT System for muc | f monitoring. If no PVT is available, visual monitoring will be utilized. | |
|----------|-----------------------------------|---|-------|
| DRILLING | ENGINEER: | | DATE: |
| | | Nick Spence / Danny Showers / Chad Loesel | |
| DRILLING | SUPERINTENDENT: | | DATE: |
| | | Kenny Gathings / Lovel Young | |

^{*}Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

EXHIBIT A
MORGAN STATE 921-36E1CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK



| | | | SURFACE POS | SITION | | | | | | OTTOM HOLE | | |
|--|--|--|---|--|---|----------------------------|---|-------------------|--|--|---------------------------------------|-----------------------|
| WELL NAME | | D83 | | NAD27 | | | | NAD | | NAD | | |
| LIANE III | LATITUDE | LONGITU | | | | FOOTAGES | LATITU | | LONGITUDE | LATITUDE | LONGITUDE | |
| | 39°59'43.859 39.995516° | 109°30'23 109.50658 | | 985" 109°30'. 1° 109.505 | | 1540' FNL 811' FWL | 39°59'4 39.9961 | | 109°30'23.555" 109.506543° | 39°59'46.385" 39.996218° | 109°30'21.083" 109.505856° | 1297' FNL 823' FWL |
| MORGAN STATE 3 | 39°59'43.869 | | | 995" 109°30'; | | 1539' FNL | 39°59'4 | | 109°30'23.613" | | 109°30'21.141" | 1612' FNL |
| | 39.995519° | 109.50662 | | | | 8011 FWL | 39.9953 | | 109.506559° | 39.995353° | 109.505873° | 818' FWL |
| | 39°59'43.879 | .03 30 20 | | | | 1538' FNL | 39°59'39 | | 109°30'23.568" | 39°59'39.992" | 109°30'21.096" | 1944' FNL |
| _ | 39.995522° 39°59'43.888 | 109.50665 109°30'24 | | 7° 109.505 015" 109°30'; | | 791' FWL 1537' FNL | 39.9944 39°59'3 | | 109.506547° 109°30'23.523" | 39.994442° 39°59'36.712" | 109.505860° 109°30'21.051" | 821' FWL 2276' FNL |
| | 39.995525° | 109 30 24 | | | | 781' FWL | 39.9934 | | 109.506534° | 39.993531° | 109.505847° | 824' FWL |
| | 39°59'43.898 | | .217" 39°59'44. | 024" 109°30': | | 1536' FNL | 39°59'3 | | 109°30'23.593" | | 109°30'21.121" | 2600' FNL |
| 921-36E4CS 3 | 39.995527° | 109.50672 | 7° 39.99556. | 2° 109.506 | 040° | 771' FWL | 39.9926 | 07° | 109.506554° | 39.992642° | 109.505867° | 818' FWL |
| | | | | IVE COORDI | | | | | | | | |
| WELL NAME | NORTH | EAST | WELL NAME | NORTH | EAST | | NAME | NOR | TH EAST | WELL NAM | | EAST |
| MORGAN STATE 921-36D4CS | 242.8' | 11.9' | MORGAN STATE 921-36E1BS | -73.1 | 17.1 | MORGA 921-36E | AN STATE E1CS | - 406. | .1' 30.4' | MORGAN STA | -739.1 | 43.8' |
| WELL NAME | NORTH | EAST | | | | | | | | | | |
| MORGAN STATE | -1064.1 | 48.1' | | | | | | | | | | |
| 921-36E4CS | -1004.1 | 40.1 | | | | | | | | | | |
| | POSITIONI ATIONS TO | | | AN STATE 621 | AN STATE 921-36E4CS AN STATE 921-36E4BS | STATE TATE 9 | | | 30' | N M | .09 | |
| | $ AZ = 27. $ $ N84^{\circ}20 $ | Az=1 S02°35' | 77.41361° 11"E - 1065. ottom Hole) | 10' | MORGAN MORGAN | \- | Az=16 13°11'1 | | 278° | SCALE | | |
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| | | | | ; | | | 176.61 8'18"E - | | | | 1 | |
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| A. Control of the Con | | | 1 | | | → (10 b | ottom i | 1010) | | | | |
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| Kerr-McG | | | , | _P | , , | | | | | | | |
| 1099 18t | th Street - De | enver, Colo | rado 80202 [′] | | , , | 60 | 9 | TI | MREDI | INIE | (4' | 35) 789-1365 |
| 1099 18t | th Street - Do | enver, Color GAN STA | rado 80202 ['] ATE 921-36 | E | ' '][: | 60 | 9 | 11 | | G & LAND | SURVEYINC | • |
| WELL PAD | th Street - Do D - MORO ELL PAD I | enver, Color GAN STA NTERFER | rado 80202 ['] ATE 921-36 RENCE PLAT | E . | | | | E | NGINEERIN 209 NORTH 3 | G & LAND | SURVEYINC NAL, UTAH 840 | i, INC. 178 |
| WELL PAD WE | th Street - Do O - MORO ELL PAD I LLS - MORO | ENVER, COLOR GAN STA NTERFER GAN STATI | rado 80202 ' ATE 921-36 RENCE PLAT E 921-36D4CS | .E - | 11 | ONSULTING | G, LLC | E | NGINEERIN 209 NORTH 3 SURVEYED: | G & LAND | SURVEYINC NAL, UTAH 840 | i, INC. |
| WELL PAD WELL WELL WELL MORGAN STA | th Street - Do O - MORO ELL PAD I LLS - MORO TE 921-36E | ENVER, COLOR GAN STA NTERFER GAN STATI 1BS, MOR | rado 80202 ' ATE 921-36 RENCE PLAT E 921-36D4CS GAN STATE 9 | E - 5, 121-36E1CS, | 215 | ONSULTING 55 North Mair | G, LLC n Street | DATE 10-11 | NGINEERIN 209 NORTH 3 SURVEYED: | G & LAND 500 WEST - VER SURVEYED B | SURVEYINC NAL, UTAH 840 Y: J.W. | i, INC. 178 |
| WELL PAD WE WEI MORGAN STA MORGAN STA | th Street - Do D - MORO ELL PAD I LLS - MORO TE 921-36E TE 921-36E | CAN STAN STAN STAN STATE CAN STATE AND BEST OF THE STATE BEST OF THE STAN STAN STAN STAN STAN STAN STAN STAN | rado 80202 ' ATE 921-36 RENCE PLAT E 921-36D4CS GAN STATE 9 | E - - - - - - - - - - - - - - - - - - - | S 215 | ONSULTING | G, LLC n Street 82801 | DATE 10-11 | NGINEERIN 209 NORTH 3 SURVEYED: -11 DRAWN: | G & LAND 600 WEST - VER | SURVEYINC NAL, UTAH 840 Y: J.W. | i, INC. 178 |

WELL PAD - MORGAN STATE 921-36E DESIGN SUMMARY

EXISTING GRADE @ CENTER OF WELL PAD = 5010.31 FINISHED GRADE ELEVATION = 5007.21 **CUT SLOPES** = 1.5:1FILL SLOPES = 1.5:1**TOTAL WELL PAD AREA = 3.68 ACRES TOTAL DISTURBANCE AREA = 5.00 ACRES SHRINKAGE FACTOR = 1.10 SWELL FACTOR = 1.00**

Kerr-McGee Oil & Gas Onshore, LP

1099 18th Street - Denver, Colorado 80202

WELL PAD - MORGAN STATE 921-36E WELL PAD - LOCATION LAYOUT

MORGAN STATE 921-36D4CS, **MORGAN STATE 921-36E1BS, MORGAN STATE 921-36E1CS,** MORGAN STATE 921-36E4BS & MORGAN STATE 921-36E4CS LOCATED IN SECTION 36, T9S, R21E, S.L.B.&M., UINTAH COUNTY, UTAH



2155 North Main Street

Sheridan, WY 82801

Phone 307-674-0609 Fax 307-674-0182

WELL PAD QUANTITIES

TOTAL CUT FOR WELL PAD = 14,142 C.Y. TOTAL FILL FOR WELL PAD = 12,442 C.Y. TOPSOIL @ 6" DEPTH = 2,811 C.Y. EXCESS MATERIAL = 1,700 C.Y.

RESERVE PIT QUANTITIES

TOTAL CUT FOR RESERVE PIT +/- 11,020 C.Y. **RESERVE PIT CAPACITY (2' OF FREEBOARD)** +/- 42,290 BARRELS

TIMBERLINE

(435) 789-1365 ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078

WELL PAD LEGEND 8 **EXISTING WELL LOCATION** PROPOSED WELL LOCATION PROPOSED BOTTOM HOLE LOCATION EXISTING CONTOURS (2' INTERVAL) PROPOSED CONTOURS (2' INTERVAL) — PPL — PROPOSED PIPELINE — EPL — EXISTING PIPELINE 60¹

HORIZONTAL E 1" = 60" 21 CONTOURS

SCALE: 1"=60" DATE: 11/11/11 SHEET NO:

7 OF 17

REVISED:

WELL PAD - MORGAN STATE 921-36E (CLOSED LOOP) DESIGN SUMMARY

EXISTING GRADE @ CENTER OF WELL PAD = 5010.31 FINISHED GRADE ELEVATION = 5007.21 CUT SLOPES = 1.5:1FILL SLOPES = 1.5:1**TOTAL WELL PAD AREA = 3.68 ACRES TOTAL DISTURBANCE AREA = 5.00 ACRES SHRINKAGE FACTOR = 1.10 SWELL FACTOR = 1.00**

Kerr-McGee Oil & Gas Onshore, LP

1099 18th Street - Denver, Colorado 80202

WELL PAD - MORGAN STATE 921-36E WELL PAD - LOCATION LAYOUT

MORGAN STATE 921-36D4CS, **MORGAN STATE 921-36E1BS, MORGAN STATE 921-36E1CS,** MORGAN STATE 921-36E4BS & MORGAN STATE 921-36E4CS LOCATED IN SECTION 36, T9S, R21E, S.L.B.&M., UINTAH COUNTY, UTAH



Phone 307-674-0609 Fax 307-674-0182

CONSULTING, LLC

2155 North Main Street Sheridan, WY 82801

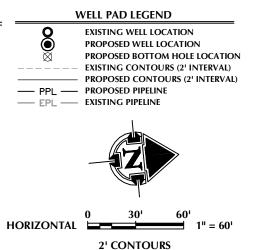
WELL PAD QUANTITIES

TOTAL CUT FOR WELL PAD = 14,142 C.Y. TOTAL FILL FOR WELL PAD = 12,442 C.Y. TOPSOIL @ 6" DEPTH = 2,811 C.Y. EXCESS MATERIAL = 1,700 C.Y.

COMPLETIONS PIT QUANTITIES

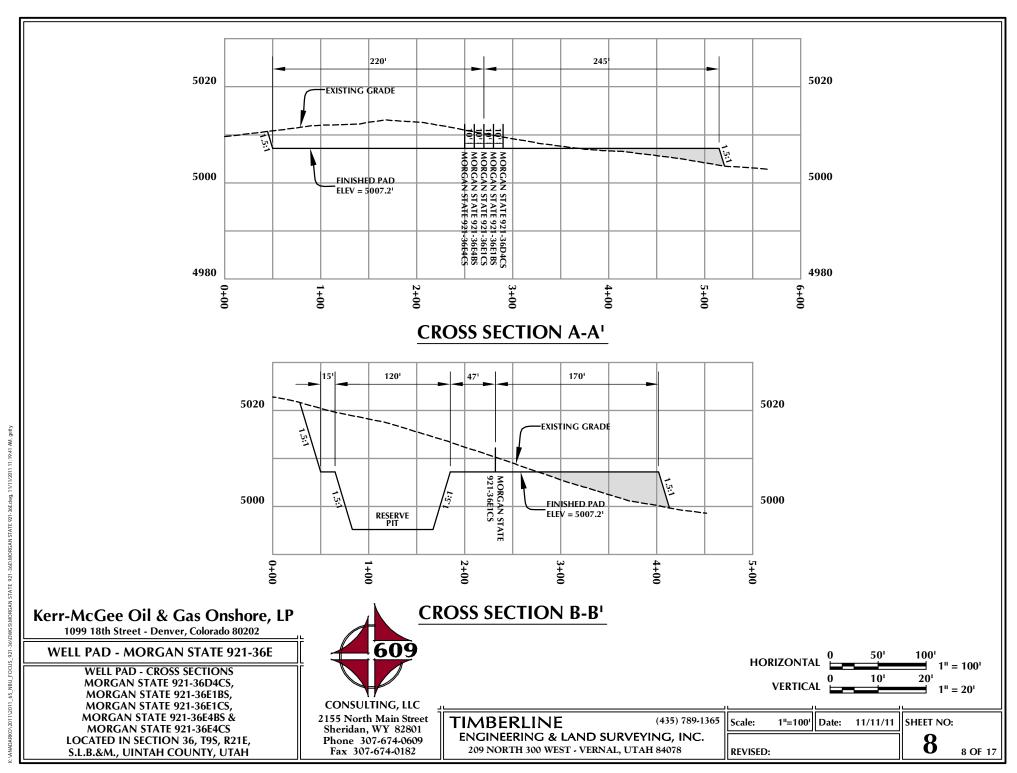
TOTAL CUT FOR COMPLETIONS PIT +/- 8,870 C.Y. **COMPLETIONS PIT CAPACITY** (2' OF FREEBOARD) +/- 33,770 BARRELS

(435) 789-1365 **TIMBERLINE** ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078



SCALE: 1"=60" DATE: 11/15/11 SHEET NO: $7B_{7B OF 17}$

REVISED:



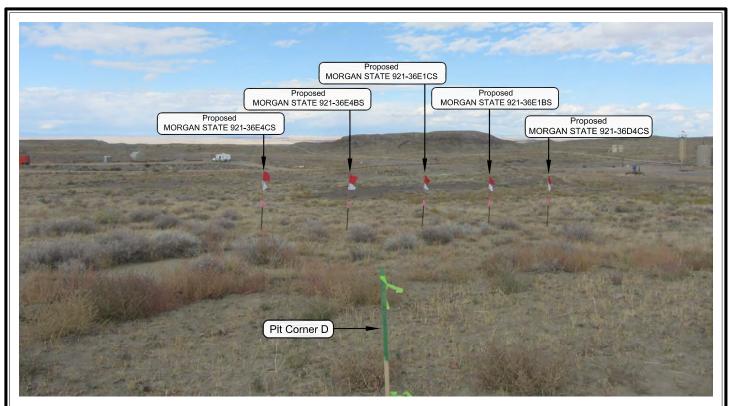


PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: WESTERLY

Kerr-McGee Oil & Gas Onshore, LP

1099 18th Street - Denver, Colorado 80202

WELL PAD - MORGAN STATE 921-36E

LOCATION PHOTOS MORGAN STATE 921-36D4CS, MORGAN STATE 921-36E1BS, MORGAN STATE 921-36E1CS, MORGAN STATE 921-36E4BS & MORGAN STATE 921-36E4CS LOCATED IN SECTION 36, T9S, R21E, S.L.B.&M., UINTAH COUNTY, UTAH.



CONSULTING, LLC 2155 North Main Street Sheridan WY 82801

Phone 307-674-0609 Fax 307-674-0182

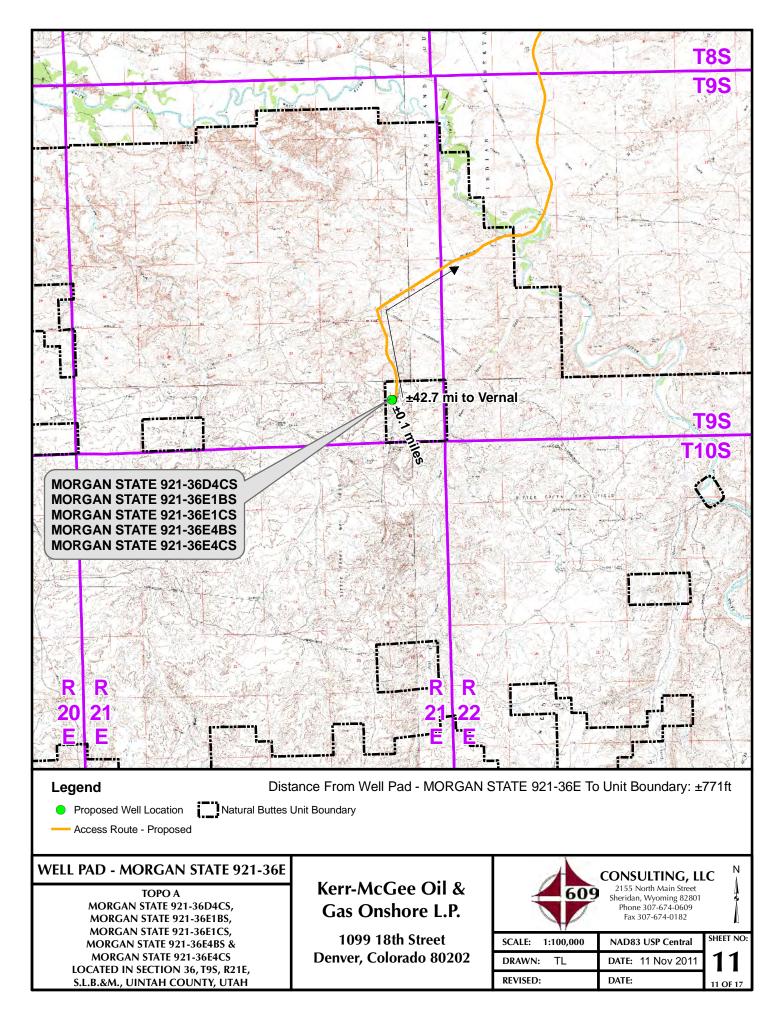
TIMBERLINE

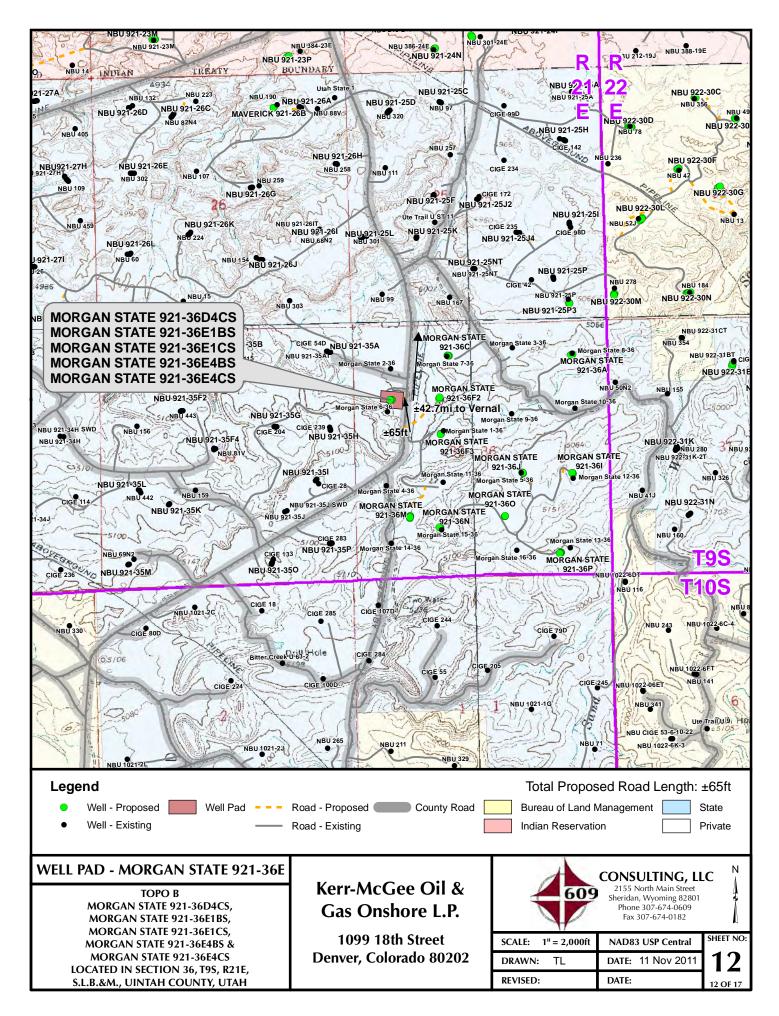
(435) 789-1365

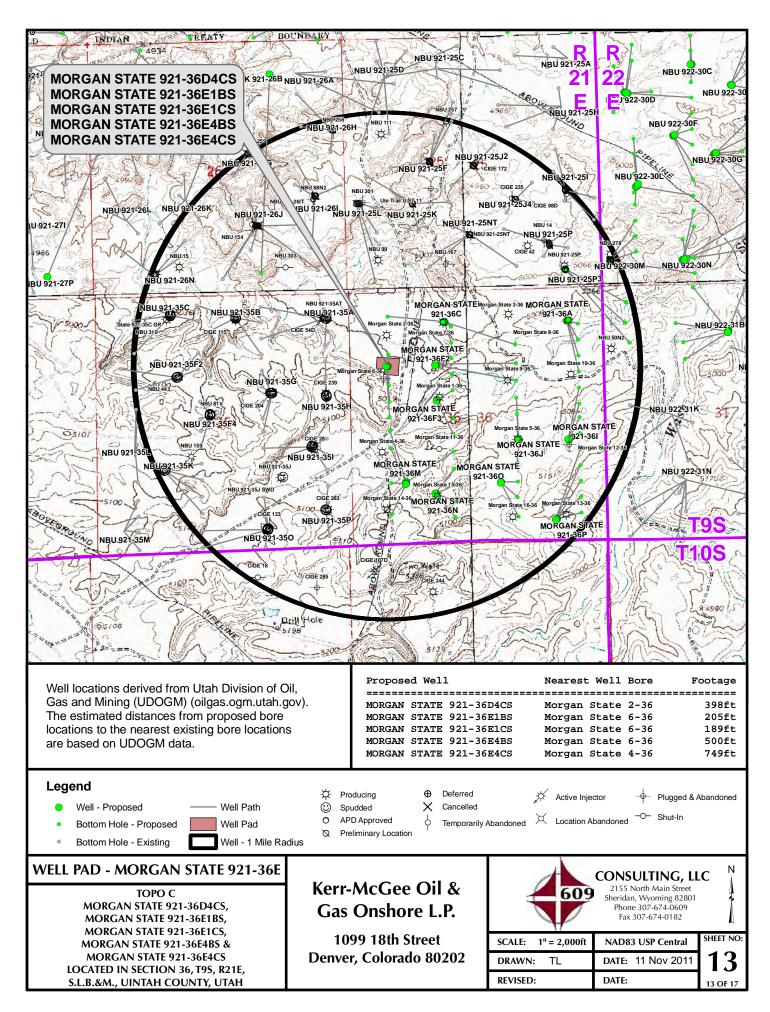
ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078

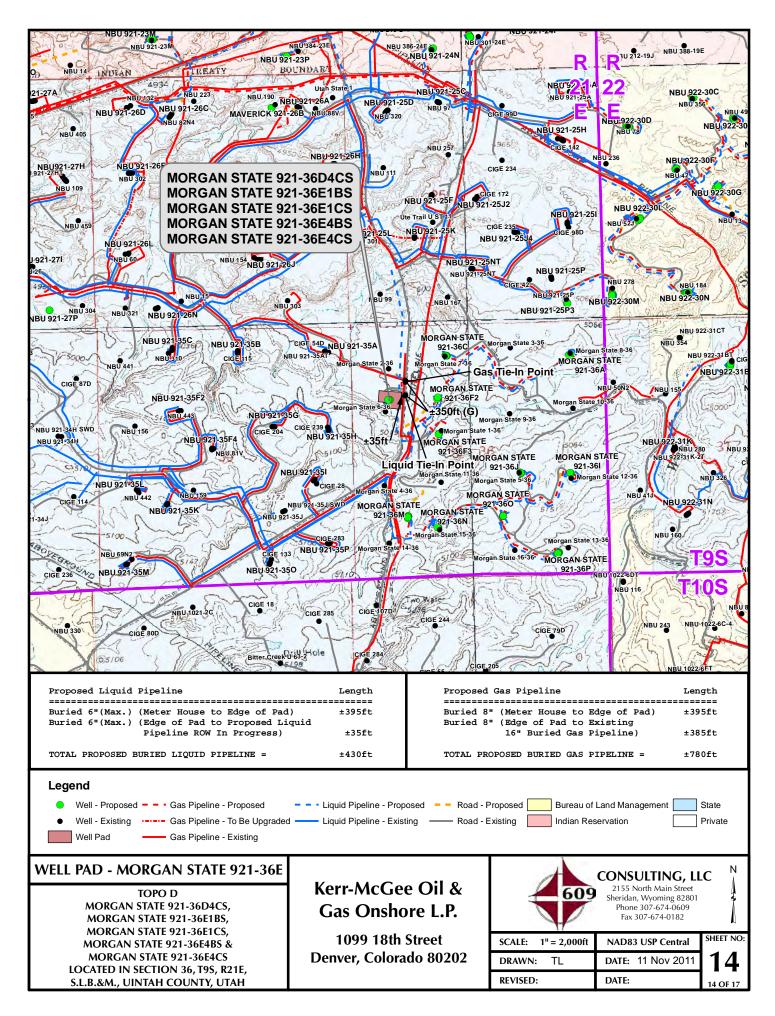
| DATE PHOTOS TAKEN: 10-11-11 | PHOTOS TAKEN BY: J.W. | SHEET NO: |
|--------------------------------|-----------------------|-----------|
| DATE DRAWN: 10-31-11 | DRAWN BY: T.J.R. | 10 |
| Date Last Revised: | | 10.05.17 |

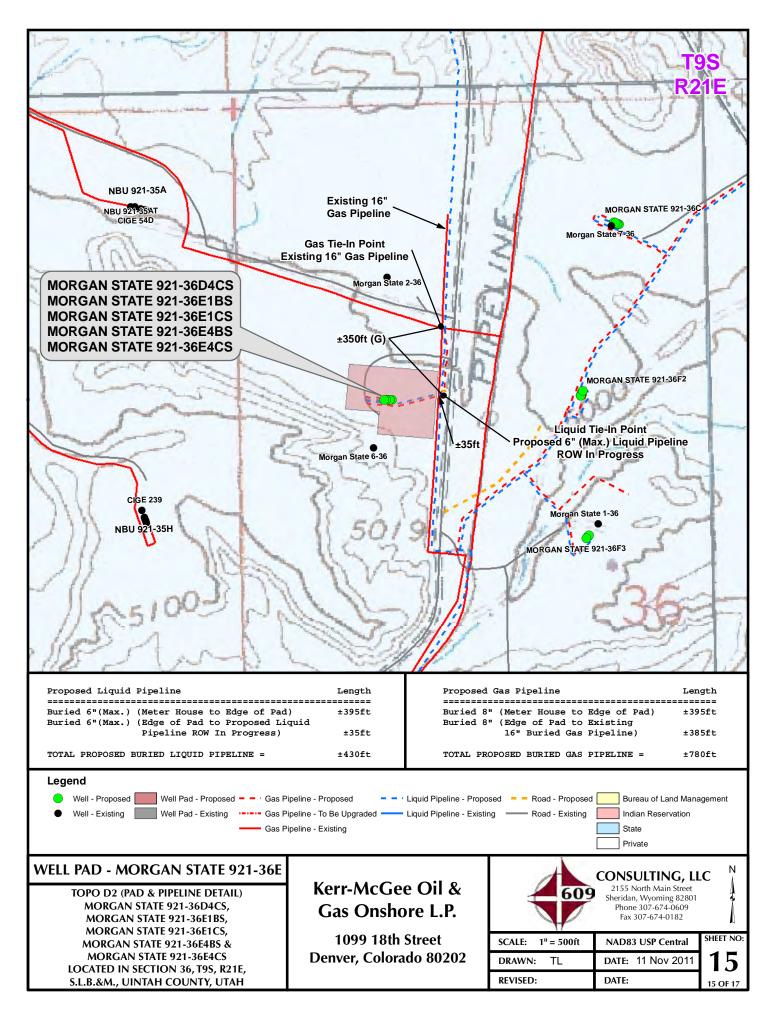
10 OF 17

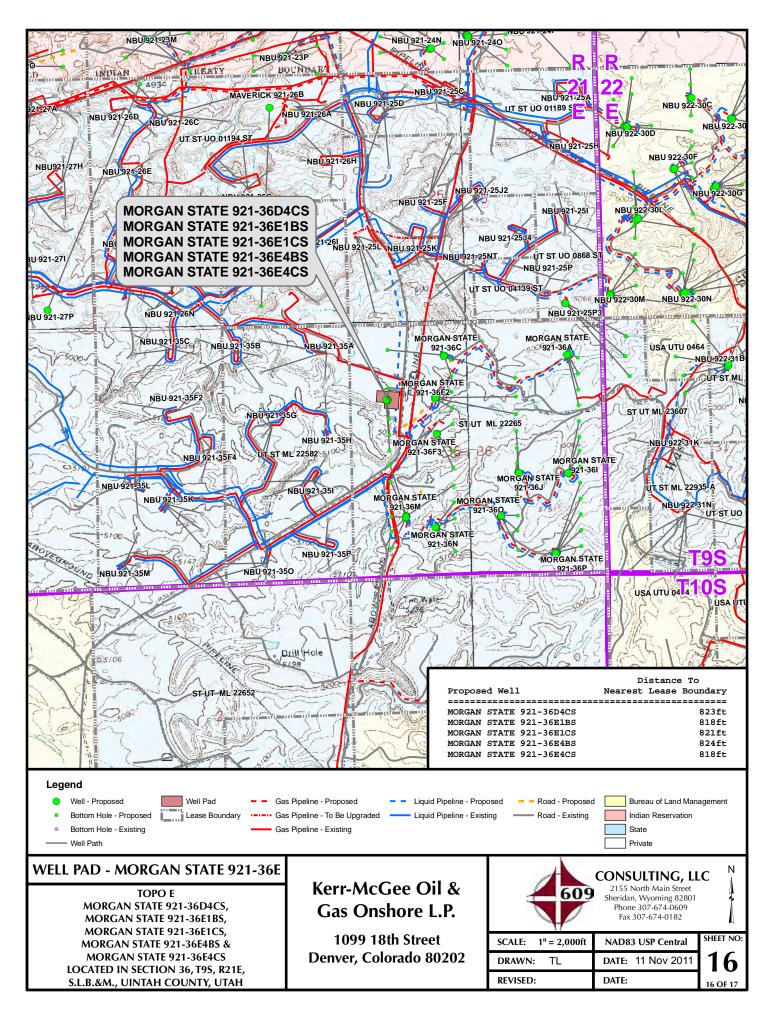












Kerr-McGee Oil & Gas Onshore, LP WELL PAD – MORGAN STATE 921-36E WELLS – MORGAN STATE 921-36D4CS, MORGAN STATE 921-36E1BS, MORGAN STATE 921-36E1CS, MORGAN STATE 921-36E4BS & MORGAN STATE 921-36E4CS Section 36, T9S, R21E, S.L.B.&M.

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly, then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 19.2 miles to the proposed access road to the west. Follow road flags in a westerly direction approximately 65 feet to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 42.7 miles in a southerly direction.

SHEET 17 OF 17

API Well Number: 43047 522 COTAB - UTM (feet), NAD27, Zone 12N

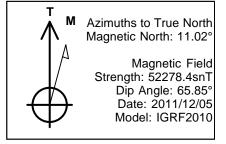
Site: MORGAN STATE 921-36E PAD Well: MORGAN STATE 921-36E1CS

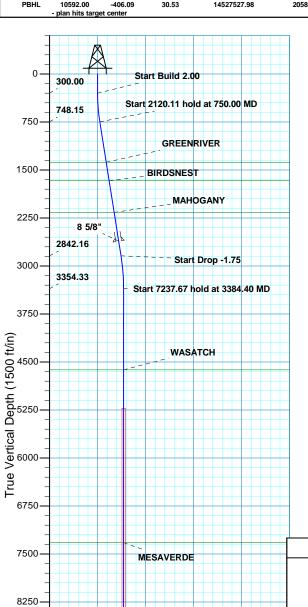
Wellbore: OH

Design: PLAN #1 PRELIMINARY



WELL DETAILS: MORGAN STATE 921-36E1CS GL 5007 & KB 4 @ 5011.00ft (ASSUMED) Easting 2058867.92 Latittude +N/-S Northing Longitude 14527933.51 39° 59' 44.005 N 109° 30' 21.488 W DESIGN TARGET DETAILS +E/-W 30.53 Northing 14527527.98 Latitude 39° 59' 39.991 N Name BLACKHAWK TVD 9992.00 +N/-S -406.09 Easting 2058905.26 Longitude 109° 30' 21.096 W Shape Circle (Radius: 25.00) plan hits ta 10592.00 -406.09 14527527.98 109° 30' 21.096 W Circle (Radius: 100.00 30.53 2058905.26 39° 59' 39.991 N plan hits target center





BLACKHAWK

1500

TD at 10622.06

Vertical Section at 175.70° (1500 ft/in)

SEGO

CASTLEGATE

10592.00

9000

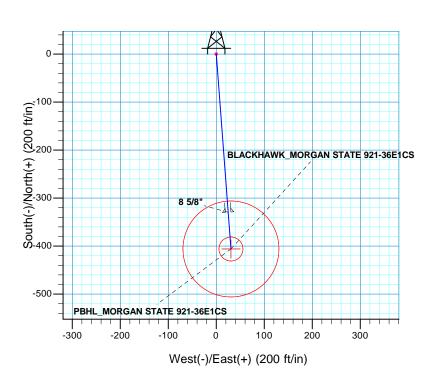
10500

11250

-750

Scientific Drilling

Rocky Mountain Operations



SECTION DETAILS Azi 0.00 TVD 0.00 Dleg 0.00 Target 0.00 0.00 0.00 0.00 0.00 0.00 0.00 175.70 300.00 748.15 0.00 35.27 300.00 0.00 0.00 0.00 0.00 2.64 27.51 9.00 -35.17 2.00 175.70 2842.16 2870.11 9.00 175.70 -365.90 0.00 0.00 366.93 0.00 180.00 0.00 PBHL_MORGAN STATE 921-36E1CS 10622.06 0.0010592.00 -406.09 0.00

FORMATION TOP DETAILS PROJECT DETAILS: UTAH - UTM (feet), NAD27, Zone 12N Formation GREENRIVER BIRDSNEST TVDPath 1379.00 MDPath 1388.71 1678.28 Geodetic System: Universal Transverse Mercator (US Survey Feet)
Datum: NAD 1927 (NADCON CONUS) 1665.00 2163.00 4623.00 2182.48 4653.06 MAHOGANY Ellipsoid: Clarke 1866 WASATCH Zone: Zone 12N (114 W to 108 W) Location: SECTION 36 T9S R21E 7324.00 9518.00 7354.06 9548.06 MESAVERDE SEGO System Datum: Mean Sea Level 9566.00 9596.06 CASTLEGATE 9992.00 10022.06 BLACKHAWK

CASING DETAILS

TVD MD Name Size 2613.00 2638.09 8 5/8" 8.625

· -

Plan: PLAN #1 PRELIMINARY (MORGAN STATE 921-36E1CS/OH)

Created By: RobertScott Date: 13:39, December 05 2011

RECEIVED:

API Well Number: 43047522780000



US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N MORGAN STATE 921-36E PAD MORGAN STATE 921-36E1CS

OH

Plan: PLAN #1 PRELIMINARY

Standard Planning Report

05 December, 2011



API Well Number: 43047522780000



SDIPlanning Report



Database: EDM5000-RobertS-Local Company: US ROCKIES REGION P

US ROCKIES REGION PLANNING UTAH - UTM (feet), NAD27, Zone 12N MORGAN STATE 921-36E PAD

Well: MORGAN STATE 921-36E1CS

Wellbore: OH

Project:

Site:

Site

Design: PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well MORGAN STATE 921-36E1CS GL 5007 & KB 4 @ 5011.00ft (ASSUMED) GL 5007 & KB 4 @ 5011.00ft (ASSUMED)

True

Minimum Curvature

Project UTAH - UTM (feet), NAD27, Zone 12N

Map System: Universal Transverse Mercator (US Survey Feet)

Geo Datum: NAD 1927 (NADCON CONUS)

Map Zone: Zone 12N (114 W to 108 W)

System Datum: Mean Sea Level

MORGAN STATE 921-36E PAD, SECTION 36 T9S R21E

Northing: 14,527,931.66 usft Site Position: Latitude: 39° 59' 43.984 N From: Lat/Long Easting: 2,058,887.84 usft Longitude: 109° 30' 21.233 W **Position Uncertainty:** 0.00 ft Slot Radius: **Grid Convergence:** 0.96 13.200 in

Well MORGAN STATE 921-36E1CS, 1538 FNL 791 FWL

 Well Position
 +N/-S
 2.19 ft
 Northing:
 14,527,933.51 usft
 Latitude:
 39° 59' 44.005 N

 +E/-W
 -19.89 ft
 Easting:
 2,058,867.91 usft
 Longitude:
 109° 30' 21.488 W

Position Uncertainty0.00 ftWellhead Elevation:Ground Level:5,007.00 ft

Wellbore ОН Field Strength Magnetics **Model Name** Sample Date Declination Dip Angle (nT) (°) (°) IGRF2010 2011/12/05 11.02 65.85 52.278

PLAN #1 PRELIMINARY Design Audit Notes: Version: Phase: PLAN Tie On Depth: 0.00 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (ft) (°) 0.00 0.00 0.00 175.70

| Plan Sections | | | | | | | | | | |
|---------------------------|--------------------|----------------|---------------------------|---------------|---------------|-----------------------------|----------------------------|---------------------------|------------|-----------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 750.00 | 9.00 | 175.70 | 748.15 | -35.17 | 2.64 | 2.00 | 2.00 | 0.00 | 175.70 | |
| 2,870.11 | 9.00 | 175.70 | 2,842.16 | -365.90 | 27.51 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3,384.40 | 0.00 | 0.00 | 3,354.33 | -406.09 | 30.53 | 1.75 | -1.75 | 0.00 | 180.00 | |
| 10,622.06 | 0.00 | 0.00 | 10,592.00 | -406.09 | 30.53 | 0.00 | 0.00 | 0.00 | 0.00 F | PBHL_MORGAN STA |



SDIPlanning Report



Database: EDM5000-RobertS-Local
Company: US ROCKIES REGION PLANNING
Project: UTAH - UTM (feet), NAD27, Zone 13

UTAH - UTM (feet), NAD27, Zone 12N MORGAN STATE 921-36E PAD MORGAN STATE 921-36E1CS

Wellbore: OH

Site:

Well:

Design: PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well MORGAN STATE 921-36E1CS GL 5007 & KB 4 @ 5011.00ft (ASSUMED) GL 5007 & KB 4 @ 5011.00ft (ASSUMED)

True

| Design: | PLAN #1 PRE | LIMINARY | | | | | | | |
|---|--------------------------------------|--|--|---|---|--|--------------------------------------|---|--------------------------------------|
| Planned Survey | | | | | | | | | |
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 0.00 100.00 200.00 300.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 | 0.00 100.00 200.00 300.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 |
| Start Build 2.0 400.00 | 2.00 | 175.70 | 399.98 | -1.74 | 0.13 | 1.75 | 2.00 | 2.00 | 0.00 |
| 500.00 600.00 700.00 750.00 | 4.00 6.00 8.00 9.00 | 175.70 175.70 175.70 175.70 | 499.84 599.45 698.70 748.15 | -6.96 -15.65 -27.80 -35.17 | 0.52 1.18 2.09 2.64 | 6.98 15.69 27.88 35.27 | 2.00 2.00 2.00 2.00 | 2.00 2.00 2.00 2.00 | 0.00 0.00 0.00 0.00 |
| | hold at 750.00 | | 7 10.10 | 00.17 | 2.01 | 00.21 | 2.00 | 2.00 | 0.00 |
| 800.00 | 9.00 | 175.70 | 797.54 | -42.97 | 3.23 | 43.09 | 0.00 | 0.00 | 0.00 |
| 900.00 1,000.00 1,100.00 1,200.00 1,300.00 | 9.00 9.00 9.00 9.00 9.00 | 175.70 175.70 175.70 175.70 175.70 | 896.31 995.07 1,093.84 1,192.61 1,291.38 | -58.57 -74.17 -89.77 -105.37 -120.97 | 4.40 5.58 6.75 7.92 9.10 | 58.74 74.38 90.02 105.67 121.31 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 1,388.71 | 9.00 | 175.70 | 1,379.00 | -134.81 | 10.14 | 135.19 | 0.00 | 0.00 | 0.00 |
| 1,400.00 1,500.00 1,600.00 1,678.28 BIRDSNEST | 9.00 9.00 9.00 9.00 | 175.70 175.70 175.70 175.70 | 1,390.15 1,488.92 1,587.69 1,665.00 | -136.57 -152.17 -167.77 -179.98 | 10.27 11.44 12.61 13.53 | 136.95 152.60 168.24 180.48 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 |
| 1,700.00 1,800.00 1,900.00 2,000.00 2,100.00 | 9.00 9.00 9.00 9.00 9.00 | 175.70 175.70 175.70 175.70 175.70 | 1,686.46 1,785.22 1,883.99 1,982.76 2,081.53 | -183.37 -198.96 -214.56 -230.16 -245.76 | 13.79 14.96 16.13 17.31 18.48 | 183.88 199.53 215.17 230.81 246.46 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 2,182.48 | 9.00 | 175.70 | 2,163.00 | -258.63 | 19.45 | 259.36 | 0.00 | 0.00 | 0.00 |
| 2,200.00 2,300.00 2,400.00 2,500.00 | 9.00 9.00 9.00 9.00 | 175.70 175.70 175.70 175.70 | 2,180.30 2,279.07 2,377.84 2,476.61 | -261.36 -276.96 -292.56 -308.16 | 19.65 20.83 22.00 23.17 | 262.10 277.74 293.39 309.03 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 |
| 2,600.00 2,638.09 8 5/8" | 9.00 9.00 | 175.70 175.70 | 2,575.38 2,613.00 | -323.76 -329.70 | 24.34 24.79 | 324.67 330.63 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 2,700.00 2,800.00 2,870.11 | 9.00 9.00 9.00 | 175.70 175.70 175.70 | 2,674.14 2,772.91 2,842.16 | -339.36 -354.96 -365.90 | 25.52 26.69 27.51 | 340.32 355.96 366.93 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| Start Drop -1. | 75 | | | | | | | | |
| 2,900.00 3,000.00 3,100.00 3,200.00 3,300.00 | 8.48 6.73 4.98 3.23 1.48 | 175.70 175.70 175.70 175.70 175.70 | 2,871.70 2,970.82 3,070.29 3,170.03 3,269.95 | -370.42 -383.62 -393.78 -400.91 -405.01 | 27.85 28.84 29.61 30.15 30.45 | 371.47 384.70 394.89 402.05 406.15 | 1.75 1.75 1.75 1.75 1.75 | -1.75 -1.75 -1.75 -1.75 -1.75 | 0.00 0.00 0.00 0.00 0.00 |
| 3,384.40 | 0.00 | 0.00 | 3,354.33 | -406.09 | 30.53 | 407.24 | 1.75 | -1.75 | 0.00 |
| Start 7237.67 3,400.00 3,500.00 3,600.00 3,700.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 3,369.94 3,469.94 3,569.94 3,669.94 | -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 |



SDI **Planning Report**



EDM5000-RobertS-Local Database: Company: Project: Site:

US ROCKIES REGION PLANNING UTAH - UTM (feet), NAD27, Zone 12N MORGAN STATE 921-36E PAD MORGAN STATE 921-36E1CS

Wellbore: ОН

Well:

Decian PLAN #1 PRELIMINARY Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MORGAN STATE 921-36E1CS GL 5007 & KB 4 @ 5011.00ft (ASSUMED) GL 5007 & KB 4 @ 5011.00ft (ASSUMED)

True

| Design: | PLAN #1 PRE | LIMINARY | | | | | | | |
|--|--------------------------------------|--------------------------------------|--|---|---|--|--------------------------------------|--------------------------------------|--------------------------------------|
| Planned Survey | | | | | | | | | |
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 3,800.00 3,900.00 4,000.00 4,100.00 4,200.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 3,769.94 3,869.94 3,969.94 4,069.94 4,169.94 | -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 4,300.00 4,400.00 4,500.00 4,600.00 4,653.06 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 4,269.94 4,369.94 4,469.94 4,569.94 4,623.00 | -406.09 -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| WASATCH | | | | | | | | | |
| 4,700.00 4,800.00 4,900.00 5,000.00 5,100.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 4,669.94 4,769.94 4,869.94 4,969.94 5,069.94 | -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 5,200.00 5,300.00 5,400.00 5,500.00 5,600.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 5,169.94 5,269.94 5,369.94 5,469.94 5,569.94 | -406.09 -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 5,700.00 5,800.00 5,900.00 6,000.00 6,100.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 5,669.94 5,769.94 5,869.94 5,969.94 6,069.94 | -406.09 -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 6,200.00 6,300.00 6,400.00 6,500.00 6,600.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 6,169.94 6,269.94 6,369.94 6,469.94 6,569.94 | -406.09 -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 6,700.00 6,800.00 6,900.00 7,000.00 7,100.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 6,669.94 6,769.94 6,869.94 6,969.94 7,069.94 | -406.09 -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 7,200.00 7,300.00 7,354.06 MESAVERDE | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 7,169.94 7,269.94 7,324.00 | -406.09 -406.09 -406.09 | 30.53 30.53 30.53 | 407.24 407.24 407.24 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| 7,400.00 | 0.00 | 0.00 | 7,369.94 | -406.09 | 30.53 | 407.24 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 0.00 | 0.00 | 7,469.94 | -406.09 | 30.53 | 407.24 | 0.00 | 0.00 | 0.00 |
| 7,600.00 7,700.00 7,800.00 7,900.00 8,000.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 7,569.94 7,669.94 7,769.94 7,869.94 7,969.94 | -406.09 -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 8,100.00 8,200.00 8,300.00 8,400.00 8,500.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 8,069.94 8,169.94 8,269.94 8,369.94 8,469.94 | -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 8,600.00 8,700.00 | 0.00 0.00 | 0.00 0.00 | 8,569.94 8,669.94 | -406.09 -406.09 | 30.53 30.53 | 407.24 407.24 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |



SDIPlanning Report



Database: Company: Project: Site:

Well:

EDM5000-RobertS-Local

US ROCKIES REGION PLANNING UTAH - UTM (feet), NAD27, Zone 12N

MORGAN STATE 921-36E PAD MORGAN STATE 921-36E1CS

Wellbore: Of

Design: PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well MORGAN STATE 921-36E1CS GL 5007 & KB 4 @ 5011.00ft (ASSUMED) GL 5007 & KB 4 @ 5011.00ft (ASSUMED)

True

| nned Survey | | | | | | | | | |
|---|--------------------------------------|--------------------------------------|---|---|---|--|--------------------------------------|--------------------------------------|--------------------------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 8,800.00 8,900.00 9,000.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 8,769.94 8,869.94 8,969.94 | -406.09 -406.09 -406.09 | 30.53 30.53 30.53 | 407.24 407.24 407.24 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| 9,100.00 9,200.00 9,300.00 9,400.00 9,500.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 9,069.94 9,169.94 9,269.94 9,369.94 9,469.94 | -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 9,548.06 | 0.00 | 0.00 | 9,518.00 | -406.09 | 30.53 | 407.24 | 0.00 | 0.00 | 0.00 |
| 9,596.06 CASTLEGAT | 0.00 | 0.00 | 9,566.00 | -406.09 | 30.53 | 407.24 | 0.00 | 0.00 | 0.00 |
| 9,600.00 9,700.00 9,800.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 9,569.94 9,669.94 9,769.94 | -406.09 -406.09 -406.09 | 30.53 30.53 30.53 | 407.24 407.24 407.24 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| 9,900.00 10,000.00 10,022.06 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 9,869.94 9,969.94 9,992.00 | -406.09 -406.09 -406.09 | 30.53 30.53 30.53 | 407.24 407.24 407.24 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| | (- BLACKHAWI | | | | | | | | |
| 10,100.00 10,200.00 | 0.00 0.00 | 0.00 0.00 | 10,069.94 10,169.94 | -406.09 -406.09 | 30.53 30.53 | 407.24 407.24 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 10,300.00 10,400.00 10,500.00 10,600.00 10,622.06 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 10,269.94 10,369.94 10,469.94 10,569.94 10,592.00 | -406.09 -406.09 -406.09 -406.09 -406.09 | 30.53 30.53 30.53 30.53 30.53 | 407.24 407.24 407.24 407.24 407.24 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |

| Design Targets | | | | | | | | | |
|---|-----------|-----------------|-------------|---------------|---------------|--------------------|-------------------|------------------|-------------------|
| Target Name - hit/miss target - Shape | Dip Angle | Dip Dir. (°) | TVD (ft) | +N/-S (ft) | +E/-W (ft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
| BLACKHAWK_MORGAI - plan hits target cen - Circle (radius 25.00 | | 0.00 | 9,992.00 | -406.09 | 30.53 | 14,527,527.99 | 2,058,905.25 | 39° 59' 39.991 N | 109° 30' 21.096 W |
| PBHL_MORGAN STATE - plan hits target cen - Circle (radius 100.0 | ter | 0.00 | 10,592.00 | -406.09 | 30.53 | 14,527,527.99 | 2,058,905.25 | 39° 59' 39.991 N | 109° 30' 21.096 W |

| Casing Points | | | | | |
|---------------|-------------------|-------------------|--------|--------------------|------------------|
| | Measured Depth | Vertical Depth | | Casing Diameter | Hole Diameter |
| | (ft) | (ft) | Name | (in) | (in) |
| | 2,638.09 | 2,613.00 | 8 5/8" | 8.625 | 11.000 |

API Well Number: 43047522780000



SDIPlanning Report



Database: Company: Project: Site: EDM5000-RobertS-Local

US ROCKIES REGION PLANNING UTAH - UTM (feet), NAD27, Zone 12N MORGAN STATE 921-36E PAD

Well: MORGAN STATE 921-36E1CS

Wellbore: OH

Design: PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well MORGAN STATE 921-36E1CS GL 5007 & KB 4 @ 5011.00ft (ASSUMED) GL 5007 & KB 4 @ 5011.00ft (ASSUMED)

True

| nations | | | | | | | | | |
|---------|---------------------------|---------------------------|------------|------|-------|-------|------------|-------------------------|--|
| | Measured Depth (ft) | Vertical Depth (ft) | | Name | Litho | ology | Dip (°) | Dip Direction (°) | |
| | 1,388.71 | 1,379.00 | GREENRIVER | | | | | | |
| | 1,678.28 | 1,665.00 | BIRDSNEST | | | | | | |
| | 2,182.48 | 2,163.00 | MAHOGANY | | | | | | |
| | 4,653.06 | 4,623.00 | WASATCH | | | | | | |
| | 7,354.06 | 7,324.00 | MESAVERDE | | | | | | |
| | 9,548.06 | 9,518.00 | SEGO | | | | | | |
| | 9,596.06 | 9,566.00 | CASTLEGATE | | | | | | |
| | 10,022.06 | 9,992.00 | BLACKHAWK | | | | | | |

| Plan Annotations | s | | | | |
|------------------|-----------|-----------|------------|---------|----------------------------------|
| | Measured | Vertical | Local Coor | dinates | |
| | Depth | Depth | +N/-S | +E/-W | |
| | (ft) | (ft) | (ft) | (ft) | Comment |
| | 300.00 | 300.00 | 0.00 | 0.00 | Start Build 2.00 |
| | 750.00 | 748.15 | -35.17 | 2.64 | Start 2120.11 hold at 750.00 MD |
| | 2,870.11 | 2,842.16 | -365.90 | 27.51 | Start Drop -1.75 |
| | 3,384.40 | 3,354.33 | -406.09 | 30.53 | Start 7237.67 hold at 3384.40 MD |
| | 10,622.06 | 10,592.00 | -406.09 | 30.53 | TD at 10622.06 |

Surface Use Plan of Operations

Morgan State 921-36D4CS/ 921-36E1BS/ 921-36E1CS/ 921-36E4BS/ 921-36E4CS

1 of 9

| MORGAN STATI | E 921-36D4CS |
|--------------|--------------|
|--------------|--------------|

| Surface: | 1540 FNL / 811 FWL | SWNW | Lot |
|----------|--------------------|------|-----|
| BHL: | 1297 FNL / 823 FWL | NWNW | Lot |

MORGAN STATE 921-36E1BS

| Surface: | 1539 FNL / 801 FWL | SWNW | Lot |
|----------|--------------------|------|-----|
| BHL: | 1612 FNL / 818 FWL | SWNW | Lot |

MORGAN STATE 921-36E1CS

| Surface: | 1538 FNL / 791 FWL | SWNW | Lot |
|----------|--------------------|------|-----|
| BHL: | 1944 FNL / 821 FWL | SWNW | Lot |

MORGAN STATE 921-36E4BS

| Surface: | 1537 FNL / 781 FWL | SWNW | Lot |
|----------|--------------------|------|-----|
| BHL: | 2276 FNL / 824 FWL | SWNW | Lot |

MORGAN STATE 921-36E4CS

| Surface: | 1536 FNL / 771 FWL | SWNW | Lot |
|----------|--------------------|------|-----|
| BHL: | 2600 FNL / 818 FWL | SWNW | Lot |

Pad: MORGAN STATE 921-36E PAD

Section 36 T9S R21E Mineral Lease: ML-22265

Uintah County, Utah

Operator: Kerr-McGee Oil & Gas Onshore LP

This SUPO contains surface operating procedures for Kerr-McGee Oil & Gas Onshore LP (KMG), a wholly owned subsidiary of Anadarko Petroleum Corporation (APC) pertaining to actions that involve the State of Utah School and Institutional Trust Lands Administration (SITLA) in the development of minerals leased to APC/KMG (including but not limited to, APDs/SULAs/ROEs/ROWs and/or easements.)

See associated Utah Division of Oil, Gas, and Mining (UDOGM) Form 3(s), plats, maps, and other attachments for site-specific information on projects represented herein.

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, these wells will be directionally drilled. Refer to Topo Map A for directions to the location and Topo Maps A and B for location of access roads within a 2-mile radius.

A. Existing Roads:

Existing roads consist of county and improved/unimproved lease roads. KMG will maintain existing roads in a condition that is the same as or better than before operations began and in a safe and usable condition. Maintenance of existing roads will continue until final abandonment and reclamation of well pads and/or other facilities. The road maintenance may include, but is not limited to, blading, ditching, culvert installation/cleanout, surfacing, and dust control.

Typically, roads, gathering lines and electrical distribution lines will occupy common disturbance corridors and roadways will be used as working space. All disturbances located in the same corridor will overlap each other to the maximum extent possible; in no case will the maximum disturbance width of the access road and utility corridors exceed 50', unless otherwise approved.

B. Planned Access Roads:

Approximately ± 65 ' (0.01 miles) of new access road is proposed (see Topo Map B). Applicable Uintah County encroachment and/or pipeline crossing permits will be obtained prior to construction/development. No other pipelines will be crossed at this location.

If there are roads that are new or to be reconstructed, they will be located, designed, and maintained to meet the standards of SITLA and other commonly accepted Best Management Practices (BMPs). If a new road/corridor were to cross a water of the United States, KMG will adhere to the requirements of applicable Nationwide or Individual Permits of the Department of Army Corps of Engineers.

During the onsite, turnouts, major cut and fills, culverts, bridges, gates, cattle guards, low water crossings, or modifications needed to existing infrastructure/facilities were determined, as applicable, are typically shown on attached Exhibits and Topo maps.

C. <u>Location of Existing and Proposed Facilities</u>:

Production facilities (see Well Pad Design Summary and Facilities Diagram):

Production facilities will be installed on the disturbed portion of the well pad and may include bermed components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks). The berms will be constructed of compacted subsoil or corrugated metal, impervious, designed to hold 110% of the capacity of the largest tank, and be independent of the back cut. All permanent (on-site six months or longer) above ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with SITLA.

Gathering Facilities:

The following pipeline transmission facilities will apply if the well is productive (see Topo D):

The total gas gathering (steel line pipe with fusion bond epoxy coating) pipeline distances from the meter to the tie in point is ± 780 ° and the individual segments are broken up as follows:

 $\pm 395'$ (0.1 miles) –New 8" buried gas pipeline from the meter to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

 $\pm 385'$ (0.1 miles) –New 8" buried gas pipeline from the edge of pad to the existing 16' buried gas pipeline. Please refer to Topo D2 - Pad and Pipeline Detail.

The total liquid gathering pipeline distance from the separator to the tie in point is ± 430 ' and the individual segments are broken up as follows:

±395' (0.1 miles) –New 6" buried liquid pipeline from the separator to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

 $\pm 35'$ (0.01 miles) –New 6" buried liquid pipeline from the edge of pad to the proposed liquid pipeline ROW in progress. Please refer to Topo D2 - Pad and Pipeline Detail.

The liquid gathering lines will be made of polyethylene or a composite polyethylene/steel or polyethylene/fiberglass that is not subject to internal or external pipe corrosion. The content of the produced fluids to be transferred by the liquid gathering system will be approximately 92% produced water and 8% condensate. Trunk line valve connections for the water gathering system will be below ground but accessible from the surface in order to prevent freezing during winter time.

The proposed pipelines will be buried and will include gas gathering and liquid gathering pipelines in the same trench. Where the pipeline is adjacent to the road or well pad, the road and/or well pad will be utilized for construction activities and staging. KMG requests a permanent 30' right-of-way adjacent to the road for life-of-project for maintenance, repairs, and/or upgrades, no additional right-of-way will be needed beyond the 30'. Where the pipeline is not adjacent to the road or well pad, KMG requests a temporary 45' construction right-of-way 30' permanent right-of-way.

The proposed trench width for the pipeline would range from 18-48 inches and will be excavated to a depth of 48 to 60 inches of normal soil cover or 24 inches of cover in consolidated rock. During construction blasting may occur along the proposed right-of-way where trenching equipment cannot cut into the bedrock. Large debris and rocks removed from the earth during trenching and blasting that could not be returned to the trench would be distributed evenly and naturally in the project area. The proposed pipelines will be pressure tested pneumatically (depending on size) or with fluids (either fresh or produced). If fluids are used, there will be no discharge to the surface.

Pipeline signs will be installed along the right-of-way to indicate the pipeline proximity and ownership, as well as to provide emergency contact phone numbers. Above ground valves, T's, and/or cathodic protection will be installed at various locations for connection, corrosion prevention and/or for safety purposes.

D. Location and Type of Water Supply:

Water for drilling purposes will be obtained from one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

E. Source of Construction Materials:

Construction operations will typically be completed with native materials found on location. If needed, construction materials that must be imported to the site (mineral material aggregate, soils or materials suitable for fill/surfacing) will be obtained from a nearby permitted source and described in subsequent Sundry requests. No construction materials will be removed from State lands without prior approval from SITLA.

F. Methods for Handling Waste Materials:

Should the well be productive, produced water will be contained in a water tank and will be transported by pipeline and/or truck to an approved disposal sites facilities and/or Salt Water Disposal (SWD) injection well. Currently, those facilities are:

RNI in Sec. 5 T9S R22E Ace Oilfield in Sec. 2 T6S R20E MC&MC in Sec. 12 T6S R19E Pipeline Facility in Sec. 36 T9S R20E

Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E

Bonanza Evaporation Pond in Sec. 2 T10S R23E

Ouray #1 SWD in Sec. 1 T9S R21E NBU 159 SWD in Sec. 35 T9S R21E CIGE 112D SWD in Sec. 19 T9S R21E CIGE 114 SWD in Sec. 34 T9S R21E NBU 921-34K SWD in Sec. 34 T9S R21E NBU 921-33F SWD in Sec. 33 T9S R21E NBU 921-34L SWD in Sec. 34 T9S R21E

Kerr-McGee will use either a closed loop drilling system that will require one pit and one cuttings storage area to be constructed on the drilling pad or a traditional drilling operation with one pit used for drilling and completion operations. The cuttings storage area will be used to contain only the de-watered drill cuttings and will be lined and bermed to prevent any liquid runoff. The drill cuttings will be buried in the completion pit once completion operations are completed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit will be lined with a synthetic material 20 mil or thicker and will be used for the completing of the wells on the pad or used as part of our Aandarko Completions Transportation System (ACTS). Using the closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completions pit.

If Kerr-McGee does not use a closed loop drilling system, it will construct a traditional drilling/completions pit to contain drill cuttings and for use in completion operations. The pit will be lined with a synthetic material 20 mil or thicker. The drill cuttings will be buried in the pit using traditional pit closure standards.

Unless otherwise approved, no oil or other oil based drill additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water, biodegradable polymer soap, bentonite clay, and /or non-toxic additives will be used in the system.

Pits will be constructed to minimize the accumulation of surface runoff. Should fluid hydrocarbons be encountered during drilling, completions, or well testing, product will either be contained in test tanks on the well site or evacuated by vacuum

trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be release into the pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternative is approved by SITLA. Should timely removal prove infeasible, the pit will be netted with mesh no larger than 1 inch until such time as the hydrocarbons can be removed. Hydrocarbon removal will also take place prior to the closure of the pit, unless authorization is provided for disposal via alternative pit closure methods. (e.g. solidification)

Any additional pits necessary for subsequent operations, such as temporary flare pits, or workover pits, will contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of the work.

For the protection of livestock and wildlife, all open pits and cellars will be fenced/covered to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after after six (6) months from reaching total depth, date of completion, and/or determination of inactivity will be removed (as weather conditions allow) to an approved site and the pit reclaimed. Additional drying methods may include fly-ash solidification or sprinkler evaporation. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift. Reserve pit liners will be cut off or folded as near to the mud surface as possible and as safety considerations allow and buried on location.

No garbage or non-exempt substances as defined by Resource Conservation and Recovery Act (RCRA) subtitle C will be placed in the reserve pit. All refuse generated during construction, drilling, completion, and well testing activities will be contained in an enclosed receptacle, removed from the drill locations promptly, and transported to an approved disposal facility.

Portable, self-contained chemical toilets and/or sewage processing facilities will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents disposed of in an approved sewage disposal facility. All applicable regulations pertaining to disposal of human and solid waste will be observed.

Any undesirable event, including accidental release of fluids, or release in excess of reportable quantities, will be managed according to the notification requirements of UDOGMs "Reporting Oil and Gas Undesirable Events" rule. Where State wells are participatory to a Federal agreement, according to NTL-3A, the appropriate Federal agencies will be notified.

Materials Management

Hazardous materials above reportable quantities will not be produced by drilling or completing proposed wells or constructing the pipelines/facilities. The term "hazardous materials" as used here means: (1) any substance, pollutant, or containment listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended 42 U.S.C. 9601 et seq., and the regulations issued under CERCLA; and (2) any hazardous waste as defined in RCRA of 1976, as amended. In addition, no extremely hazardous substance, as defined in 40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of while producing any well.

Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) in quantities of 10,000 pounds or more may be produced and/or stored at production facilities and may be kept in limited quantities on drilling sites and well locations for short periods of time during drilling or completion activities.

G. Ancillary Facilities:

None are anticipated.

H. Well Site Layout (see Well Pad Design Summary):

The location, orientation and aerial extent of each drill pad; reserve/completion/flare pit; access road ingress/ egress points, drilling rig, dikes/ditches, existing wells/infrastructure; proposed cuts and fills; and topsoil and spoil material stockpile locations are depicted on the exhibits for each project, where applicable. Site-specific conditions may require slight deviation in actual equipment and facility layout; however, the area of disturbance, as described in the survey, will not be exceeded.

Coordinates are provided in the National Spatial Reference System, North American Datum, 1927 (NAD27) or latest edition. Distances are depicted on each plat to the nearest two adjacent section lines.

I. Plans for Reclamation of the Surface:

Surface reclamation will be undertaken in two phases: interim and final. Interim reclamation is conducted following well completion and extends through the period of production. This reclamation is for the area of the well pad that is not required for production activities. Final reclamation is conducted following well plugging/conversion and/or facility abandonment processes.

Reclamation activities in both phases may include but is not limited to the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, segregation of spoils materials, minimizing surface disturbance, re-evaluating backfill requirements, pit closure, topsoil redistribution, soil treatments, seeding and weed control.

Interim Reclamation

Interim reclamation includes pit closure, re-contouring (where possible), soil bed preparation, topsoil placement, seeding, and/or weed control.

Interim re-contouring involves bringing all construction material from cuts and fills back onto the well pad and site and reestablishing the natural contours where desirable and practical. Fill and stockpiled spoils no longer necessary to the operation will be spread on the cut slopes and covered with stockpiled topsoil. All stockpiled top soils will be used for interim reclamation where practical to maintain soil viability. Where possible, the land surface will be left "rough" after re-contouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover.

A reserve pit, upon being allowed to dry, will be backfilled and compacted with cover materials that are void of any topsoil, vegetation, large stones, rocks or foreign objects. Soils that are moisture laden, saturated, or partially/

completely frozen will not be used for backfill or cover. The pit area will be mounded to allow for settling and to promote positive surface drainage away from the pit.

Final Reclamation

Final reclamation will be performed for newly drilled unproductive wells and/or at the end of the life of a productive well. As soon as practical after the conclusion of drilling and testing operations, unproductive drill holes will be plugged and abandoned (P&A). Site and road reclamation will commence following plugging. In no case will reclamation at non-producing locations be initiated later than six (6) months from the date a well is plugged. A joint inspection of the disturbed area to be reclaimed may be requested by KMG. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. A Notice of Intent to Abandon will be filed for final recommendations regarding surface reclamation.

After plugging, all wellhead equipment that is no longer needed will be removed, and the well site will be reclaimed. Final contouring will blend with and follow as closely as practical the natural terrain and contours of the original site and surrounding areas. After re-contouring, final grading will be conducted over the entire surface of the well site and access road. Where practical, the area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers and surface materials will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep perpendicular to the natural flow of water.

All unnecessary surface equipment and structures (e.g. cattle guards) and water control structures (e.g. culverts, drainage pipes) not needed to facilitate successful reclamation will be removed during final reclamation. Roads that will be reclaimed will be ripped to a depth of 18 inches where practical, re-contoured to approximate the original contour of the ground and seeded.

Upon successfully completing reclamation of a P&A location, a Final Abandonment Notice will be submitted to UDOGM.

Seeding and Measures Common to Interim and Final Reclamation

Reclaimed areas may be fenced to exclude grazing and encourage re-vegetation.

On slopes where severe erosion can become a problem and the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. The slope will be stabilized using materials specifically designed to prevent erosion on steep slopes and hold seed in place so vegetation can become permanently established. These materials will include, but are not limited to, erosion control blankets and bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage.

Seeding will occur year-round as conditions allow. Seed mixes appropriate to the native plant community as determined and specified for each project location based on the site specific soils will be used for re-vegetation. The site specific seed mix will be provided by SITLA.

J. Surface/Mineral Ownership:

SITLA 675 East 500 South, Suite 500 Salt Lake City, UT 84102

Morgan State 921-36D4CS/ 921-36E1BS/ 921-36E1CS/ 921-36E4BS/ 921-36E4CS

Surface Use Plan of Operations 8 of 9

L. Other Information:

None

Morgan State 921-36D4CS/ 921-36E1BS/ 921-36E1CS/ 921-36E4BS/ 921-36E4CS

M. Lessee's or Operators' Representative & Certification:

Danielle Piernot Regulatory Analyst II Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6156 Tommy Thompson General Manager, Drilling Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6724

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage for State lease activities is provided by State Surety Bond 22013542, and for applicable Federal lease activities and pursuant to 43 CFR 3104, by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

December 19, 2011
Date



Kerr-McGee Oil & Gas Onshore LP PO Box 173779 DENVER, CO 80217-3779

December 14, 2011

Ms. Diana Mason Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, UT 84114-6100

Re: Directional Drilling R649-3-11 Morgan State 921-36E1CS

T9S-R21E

Section 36: SWNW (Surface), SWNW (Bottom Hole)

Surface: 1538' FNL, 791' FWL Bottom Hole: 1944' FNL, 821' FWL

Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling.

- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing roads and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information, Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Joe Matney Sr. Staff Landman

From: Jim Davis
To: APD APPROVAL

CC: Danielle Piernot; Julie Jacobson

Date: 2/23/2012 3:22 PM

Subject: APD Approval: the Kerr McGee Morgan State wells

The following wells have been approved by SITLA including arch and paleo clearance.

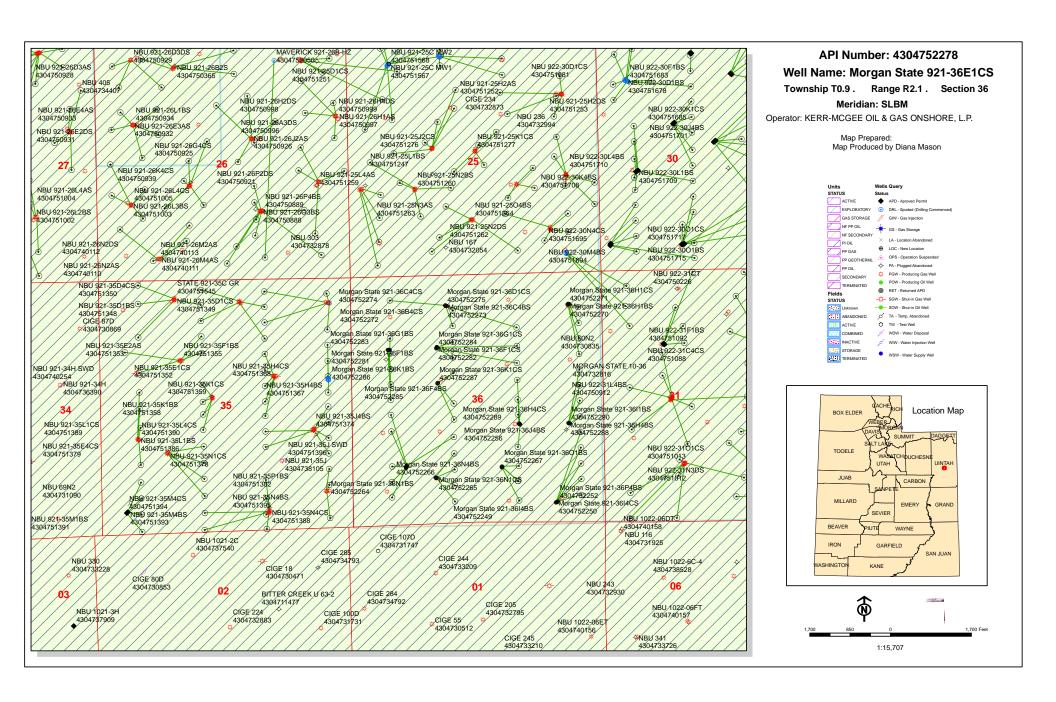
```
Morgan State 921-36G4BS
4304752246
             Morgan State 921-36G4CS
4304752253
4304752255
             Morgan State 921-36J1CS
4304752256
             Morgan State 921-36J4BS
             Morgan State 921-36F1BS
4304752281
4304752282
             Morgan State 921-36F1CS
4304752283
             Morgan State 921-36G1BS
4304752284
             Morgan State 921-36G1CS
             Morgan State 921-36F4BS
4304752285
4304752286
             Morgan State 921-36K1BS
4304752287
             Morgan State 921-36K1CS
             Morgan State 921-36P1BS
4304752247
             Morgan State 921-36P1CS
4304752248
             Morgan State 921-36I4BS
4304752249
             Morgan State 921-36I4CS
4304752250
             Morgan State 921-36P4BS
4304752252
4304752263
             Morgan State 921-36K4CS
4304752264
             Morgan State 921-36N1BS
4304752265
             Morgan State 921-36N1CS
4304752266
             Morgan State 921-36N4BS
4304752276
             Morgan State 921-36D4CS
4304752277
             Morgan State 921-36E1BS
4304752278
             Morgan State 921-36E1CS
             Morgan State 921-36E4BS
4304752279
4304752280
             Morgan State 921-36E4CS
             Morgan State 921-36O4CS
4304752245
             Morgan State 921-36O1CS
4304752254
             Morgan State 921-36O1BS
4304752267
4304752257
             Morgan State 921-36K4BS
4304752258
             Morgan State 921-36L1BS
4304752259
             Morgan State 921-36L1CS
4304752260
             Morgan State 921-36M1BS
4304752261
             Morgan State 921-36M1CS
4304752262
             Morgan State 921-36M4BS
4304752272
             Morgan State 921-36B4CS
4304752273
             Morgan State 921-36C4BS
4304752274
             Morgan State 921-36C4CS
4304752275
             Morgan State 921-36D1CS
```

There are eight more wells on two pads in this section, the 36A pad and the 36I pad, that have not yet been approved. Anadarko is gathering reclamation cost figures on pads similar to those as part of the process of acquiring adequate SITLA bonds.

-Jim

Jim Davis Utah Trust Lands Administration jimdavis1@utah.gov

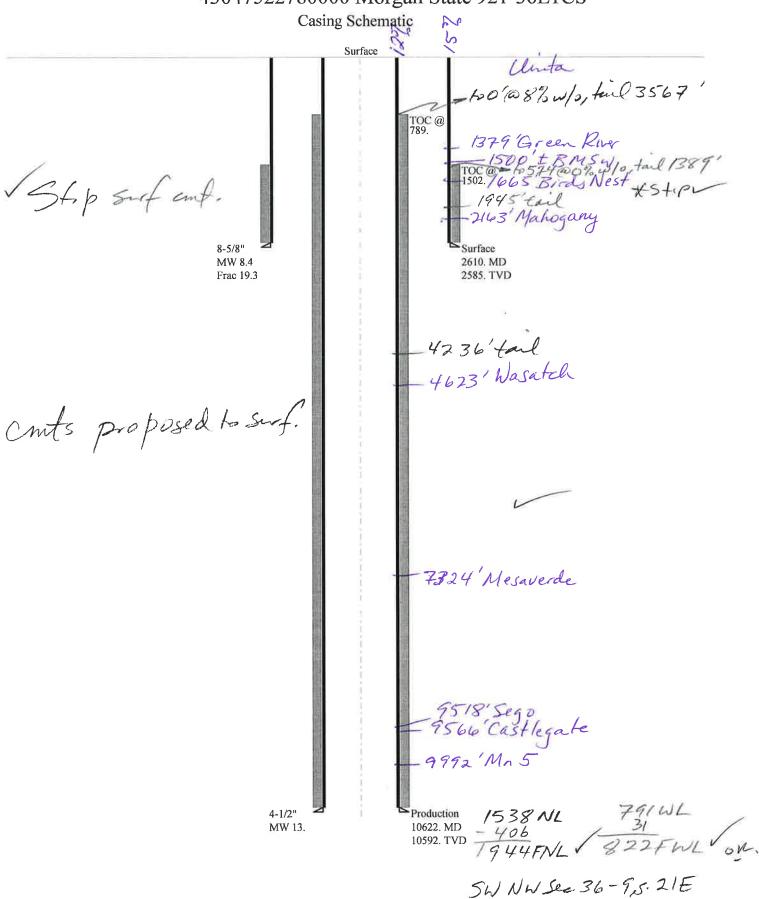
Phone: (801) 538-5156



BOPE REVIEW KERR-MCGEE OIL & GAS ONSHORE, L.P. Morgan State 921-36E1CS 43047522780000

| Well Name | | KERR-MCGEE C | OIL & GAS ONSHO | RE, L.P. Morgan | State 921 | -36E1C | 34 | |
|-----------------------------|-----------------|----------------|----------------------|-------------------|------------|----------|-----------|---|
| String | | Surf | Prod | | i II | | īl | |
| Casing Size(") | | 8.625 | 4.500 | | | | <u> </u> | |
| Setting Depth (TVD) | | 2585 | 10592 | | | | 1 | |
| Previous Shoe Setting Dept | h (TVD) | 0 | 2585 | | | | 1 | |
| Max Mud Weight (ppg) | | 8.4 | 13.0 | | | | i | |
| BOPE Proposed (psi) | | 500 | 5000 | | | | i | |
| Casing Internal Yield (psi) | | 3390 | 10690 | | | | <u> </u> | |
| Operators Max Anticipated | Pressure (psi) | 6991 | 12.7 | | | | <u> </u> | |
| | | G 6G1 | | | | | | |
| Calculations May RHP (pci) | | Surf Stri | ong 052*Setting D | Denth*MW- | | 3.625 | <u>''</u> | |
| Max BHP (psi) | | .0 | 52*Setting L | reptii w w = | 1129 | | ROPE Ade | quate For Drilling And Setting Casing at Depth? |
| MASP (Gas) (psi) | | Max BH | P-(0.12*Setti | ing Denth)= | 819 | _ | | |
| MASP (Gas/Mud) (psi) | | | P-(0.22*Setti | | H | _ | NO | air drill |
| MASI (Gas/Muu) (psi) | | Max Bii | 1-(0.22 3011 | ing Deptin)= | 560 | | *Can Full | Reasonable depth in area Expected Pressure Be Held At Previous Shoe? |
| Pressure At Previous Shoe | Max BHP22*(S | etting Denth - | - Previous St | noe Depth)= | 560 | | NO NO | BELLE A TESSALE BE MELL IN THE TOUR BINGE |
| Required Casing/BOPE Tes | | | | · · · · · · · · · | H | _ | psi | |
| *Max Pressure Allowed @ | | Shoo- | | | 2373 | 4 | | sumes 1psi/ft frac gradient |
| *Max Fressure Allowed @ . | rrevious Casing | Shoe= | | | 0 | | psi *As | sumes Tpsi/it frac gradient |
| Calculations | | Prod Stri | ing | | 4 | 1.500 | " | |
| Max BHP (psi) | | .0 | 052*Setting D | Depth*MW= | 7160 | = | | |
| | | | | | - | | BOPE Ade | quate For Drilling And Setting Casing at Depth? |
| MASP (Gas) (psi) | | Max BH | P-(0.12*Setti | ing Depth)= | 5889 | \equiv | NO | |
| MASP (Gas/Mud) (psi) | | Max BH | P-(0.22*Setti | ing Depth)= | 4830 | | YES | OK |
| | | | | | ľ | | <u> </u> | Expected Pressure Be Held At Previous Shoe? |
| Pressure At Previous Shoe | Max BHP22*(S | etting Depth | - Previous Sh | noe Depth)= | 5398 | = | NO | Reasonable |
| Required Casing/BOPE Tes | st Pressure= | | | | 5000 | = | psi | |
| *Max Pressure Allowed @ | Previous Casing | Shoe= | | | 2585 | | psi *As | sumes 1psi/ft frac gradient |
| Calculations | | g. : | | | | | " | |
| Calculations May PHP (pgi) | | String | | Donth*MW_ | | | | |
| Max BHP (psi) | | .0 | 052*Setting D | reptii · M w = | | _ | ROPE Ade | quate For Drilling And Setting Casing at Depth? |
| MASP (Gas) (psi) | | Max BH | P-(0.12*Setti | ing Depth)= | <u> </u> | _ | | quate For Drining And Setting Casing at Depth. |
| MASP (Gas/Mud) (psi) | | | P-(0.22*Setti | | H | _ | NO | |
| MASI (Gas/Muu) (psi) | | wax Bii | 1-(0.22 Betti | mg Deptii)= | ļ | | *Con Full | Expected Pressure Be Held At Previous Shoe? |
| Pressure At Previous Shoe | Max BHP- 22*(S | etting Denth | - Previous St | noe Denth)= | | _ | | Expected Tressure Be Held At Trevious Silve. |
| Required Casing/BOPE Tes | | etting Deptin | | | <u> </u> | = | psi | |
| | | Cl | | | <u> </u> | = | | |
| *Max Pressure Allowed @ 1 | Previous Casing | snoe= | | | [<u> </u> | | psi *As | sumes 1psi/ft frac gradient |
| Calculations | | String | | | | | " | |
| Max BHP (psi) | | .0 | 052*Setting D | epth*MW= | | | | |
| | | | | | | | BOPE Ade | quate For Drilling And Setting Casing at Depth? |
| MASP (Gas) (psi) | | Max BH | P-(0.12*Setti | ing Depth)= | | | NO | |
| MASP (Gas/Mud) (psi) | | Max BH | P-(0.22*Setti | ing Depth)= | | | NO | |
| | | | | | | | *Can Full | Expected Pressure Be Held At Previous Shoe? |
| Pressure At Previous Shoe | Max BHP22*(S | etting Depth | - Previous Sh | ioe Depth)= | | | NO | i |
| Required Casing/BOPE Tes | st Pressure= | | | | | | psi | |
| *Max Pressure Allowed @ | Previous Casing | Shoe= | | | | = | psi *As | sumes 1psi/ft frac gradient |
| | | | | | | | | |

43047522780000 Morgan State 921-36E1CS



Well name:

43047522780000 Morgan State 921-36E1CS

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Surface

Project ID:

Location:

UINTAH

COUNTY

43-047-52278

| Design parameters: Collapse Mud weight: Design is based on evacu | 8.400 ppg uated pipe. | Minimum design t Collapse: Design factor | factors: 1.125 | Environment: H2S considered? Surface temperature: Bottom hole temperature Temperature gradient: Minimum section length: | No 74 °F : 110 °F 1.40 °F/100ft 100 ft |
|--|--------------------------|--|-------------------|---|--|
| | | Burst: | | | |
| | | Design factor | 1.00 | Cement top: | 1,502 ft |
| Burst | | 2 co.g., tacto. | | | ., |
| Max anticipated surface | | | | | |
| • | 2,275 psi | | | | |
| pressure: | | Tanaiani | | Directional Info - Build | 9 Drop |
| Internal gradient: | 0.120 psi/ft | Tension: | | | • |
| Calculated BHP | 2,585 psi | 8 Round STC: | 1.80 (J) | Kick-off point | 300 ft |
| | | 8 Round LTC: | 1.70 (J) | Departure at shoe: | 326 ft |
| No backup mud specified | | Buttress: | 1.60 (J) | Maximum dogleg: | 2 °/100ft |
| | | Premium: | 1.50 (J) | Inclination at shoe: | 9° |
| | | Body yield: | 1.50 (B) | Re subsequent strings: | |
| | | Body yiola. | 1,00 (5) | Next setting depth: | 10,592 ft |
| | | Tanaian is based on | air waiaht | Next mud weight: | 13.000 ppg |
| | | Tension is based on | | | 110 |
| | | Neutral point: | 2,286 ft | Next setting BHP: | 7,153 psi |
| | | | | Fracture mud wt: | 19.250 ppg |
| | | | | Fracture depth: | 2,585 ft |
| | | | | Injection pressure: | 2,585 psi |
| | | | | ,550.5 p. 55566. | -1000 Po. |

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Est. Cost (\$) |
|------------|---------------------------|-------------------------------|-------------------------------|------------------------|----------------------------|----------------------------|---------------------------|-------------------------------|-----------------------------|
| 1 | 2610 | 8.625 | 28.00 | I-55 | LT&C | 2585 | 2610 | 7.892 | 103356 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (kips) | Tension Strength (kips) | Tension Design Factor |
| 1 | 1128 | 1880 | 1.667 | 2585 | 3390 | 1.31 | 72.4 | 348 | 4.81 J |

Prepared

Helen Sadik-Macdonald

Div of Oil, Gas & Mining by:

Phone: 801 538-5357 FAX: 801-359-3940

Date: March 5,2012 Salt Lake City, Utah

Collapse is based on a vertical depth of 2585 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:

43047522780000 Morgan State 921-36E1CS

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Production

Project ID:

43-047-52278

Location:

UINTAH

COUNTY

Minimum design factors:

Collapse

Mud weight:

Design parameters:

13.000 ppg Design is based on evacuated pipe.

Collapse:

Design factor 1.125 **Environment:**

H2S considered? Surface temperature: Bottom hole temperature: No 74 °F

Temperature gradient:

222 °F 1.40 °F/100ft

Minimum section length:

100 ft

Burst:

Design factor

1.00 Cement top: 789 ft

Burst

Max anticipated surface pressure:

4,823 psi 0.220 psi/ft Internal gradient:

Calculated BHP 7,153 psi

No backup mud specified.

Tension:

8 Round STC: 8 Round LTC:

Premium:

Buttress:

Body yield:

Tension is based on air weight. Neutral point:

Estimated cost:

Directional well information:

Kick-off point 300 ft Departure at shoe: 407 ft Maximum dogleg: 2 °/100ft

Inclination at shoe:

0 °

159,087 (\$)

8,564 ft

1.80 (J)

1.80 (J)

1.60 (J)

1.50 (J)

1,60 (B)

| Run | Segment | | Nominal | | End | True Vert | Measured | Drift | Est. | |
|-----|----------|----------|----------|---------|----------|-----------|----------|----------|---------|--|
| Seq | Length | Size | Weight | Grade | Finish | Depth | Depth | Diameter | Cost | |
| | (ft) | (in) | (lbs/ft) | | | (ft) | (ft) | (in) | (\$) | |
| 2 | 5000 | 4.5 | 11.60 | HCP-110 | DQX | 4970 | 5000 | 3.875 | 132000 | |
| 1 | 5622 | 4.5 | 11.60 | HCP-110 | LT&C | 10592 | 10622 | 3.875 | 27087 | |
| Run | Collapse | Collapse | Collapse | Burst | Burst | Burst | Tension | Tension | Tension | |
| Seq | Load | Strength | Design | Load | Strength | Design | Load | Strength | Design | |
| | (psi) | (psi) | Factor | (psi) | (psi) | Factor | (kips) | (kips) | Factor | |
| 2 | | | | | | | | | 0.00.0 | |
| _ | 3356 | 8122 | 2.420 | 5916 | 10690 | 1.81 | 122.9 | 367.2 | 2.99 B | |

Prepared

by:

Helen Sadik-Macdonald

Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: March 5,2012 Salt Lake City, Utah

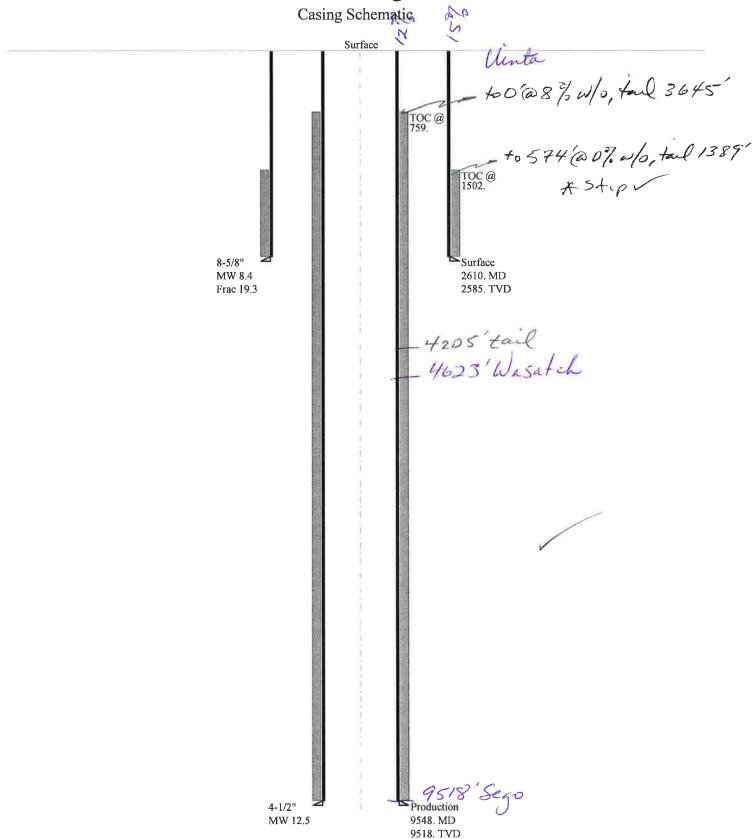
Remarks:

Collapse is based on a vertical depth of 10592 ft, a mud weight of 13 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

43047522780000 Morgan State 921-36E1CS



Well name:

43047522780000 Morgan State 921-36E1CS

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Surface

Project ID:

Fracture mud wt:

Injection pressure:

Fracture depth:

19.250 ppg

2,585 psi

2,585 ft

Location:

UINTAH

COUNTY

43-047-52278

| Design parameters: Collapse | | Minimum design fa | ictors: | Environment: H2S considered? | No |
|---|-------------------------|-----------------------|------------|---|--|
| Mud weight: Design is based on evacu | 8.400 ppg ated pipe. | Design factor | 1.125 | Surface temperature: Bottom hole temperature Temperature gradient: Minimum section length: | 74 °F : 110 °F 1.40 °F/100ft 100 ft |
| | | Burst: | | | |
| | | Design factor | 1.00 | Cement top: | 1,502 ft |
| Burst | | • | | • | |
| Max anticipated surface pressure: | 2,275 psi | | | | |
| Internal gradient: | 0.120 psi/ft | Tension: | | Directional Info - Build | & Drop |
| Calculated BHP | 2,585 psi | 8 Round STC: | 1.80 (J) | Kick-off point | 300 ft |
| | _, | 8 Round LTC: | 1.70 (J) | Departure at shoe: | 326 ft |
| No backup mud specified, | | Buttress: | 1.60 (J) | Maximum dogleg: | 2 °/100ft |
| | | Premium: | 1.50 (J) | Inclination at shoe: | 9° |
| | | Body yield: | 1.50 (B) | Re subsequent strings: | |
| | | , , | | Next setting depth: | 9.518 ft |
| | | Tension is based on a | ir weight. | Next mud weight: | 12.500 ppg |
| | | Neutral point: | 2,286 ft | Next setting BHP: | 6,180 psi |
| | | | _, | | -, · |

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (Ibs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Est. Cost (\$) |
|------------|-----------------------------------|---------------------------------------|---------------------------------------|--------------------------------|------------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|---------------------------------------|
| 1 | 2610 | 8.625 | 28.00 | I-55 | LT&C | 2585 | 2610 | 7.892 | 103356 |
| Run Seq | Collapse Load (psi) 1128 | Collapse Strength (psi) 1880 | Collapse Design Factor 1.667 | Burst Load (psi) 2585 | Burst Strength (psi) 3390 | Burst Design Factor 1.31 | Tension Load (kips) 72.4 | Tension Strength (kips) 348 | Tension Design Factor 4.81 J |

Prepared

Helen Sadik-Macdonald

Div of Oil, Gas & Mining by:

Phone: 801 538-5357

FAX: 801-359-3940

Date: March 5,2012 Salt Lake City, Utah

Collapse is based on a vertical depth of 2585 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kernler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:

43047522780000 Morgan State 921-36E1CS

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Production

Project ID: 43-047-52278

Location:

UINTAH COUNTY

| /linimum | desian | factors: | Environment |
|----------|--------|----------|-------------|
|----------|--------|----------|-------------|

Collapse

Mud weight:

Design parameters:

12.500 ppg Internal fluid density: 1.500 ppg Collapse:

Design factor 1.125

H2S considered? No 74 °F Surface temperature: 207 °F Bottom hole temperature:

1.40 °F/100ft Temperature gradient: Minimum section length: 100 ft

Burst: Design factor

1.00 Cement top: 759 ft

Burst

Max anticipated surface

pressure: 4,087 psi Internal gradient: 0.220 psi/ft Calculated BHP 6,180 psi

No backup mud specified,

Tension:

8 Round STC: 8 Round LTC:

> Premium: Body yield:

1.80 (J) 1.60 (J) Buttress: 1.50 (J)

1.60 (B)

1.80 (J)

Directional Info - Build & Drop

Kick-off point 300 ft Departure at shoe: 407 ft Maximum dogleg: 2 °/100ft 0 ° Inclination at shoe:

Tension is based on air weight. Neutral point: 7.770 ft

Estimated cost: 192,034 (\$)

| Run | Segment | | Nominal | | End | True Vert | Measured | Drift | Est. |
|------------|------------------|----------------------|--------------------|---------------|-------------------|-----------------|-----------------|---------------------|-------------------|
| Seq | Length (ft) | Size (in) | Weight (lbs/ft) | Grade | Finish | Depth (ft) | Depth (ft) | Diameter (in) | Cost (\$) |
| 2 | 5000 | 4.5 | 11.60 | 1-80 | DQX | 4970 | 5000 | 3.875 | 132000 |
| 1 | 4548 | 4.5 | 11.60 | 1-80 | LT&C | 9518 | 9548 | 3.875 | 60034 |
| Run Seq | Collapse Load | Collapse Strength | Collapse Design | Burst Load | Burst Strength | Burst Design | Tension Load | Tension Strength | Tension Design |
| _ | (psi) | (psi) | Factor | (psi) | (psi) | Factor | (kips) | (kips) | Factor |
| 2 | 2840 | 5907 | 2.080 | 5180 | 7780 | 1.50 | 110.4 | 267 | 2.42 J |
| 4 | 5439 | 6360 | 1.169 | 6180 | 7780 | 1.26 | 52.8 | 212 | 4.02 J |

Prepared

Helen Sadik-Macdonald

Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: March 5,2012 Salt Lake City, Utah

Collapse is based on a vertical depth of 9518 ft, a mud weight of 12.5 ppg. An internal gradient of .078 psi/ft was used for collapse from TD Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.

Well Name Morgan State 921-36E1CS

API Number 43047522780000 APD No 5066 Field/Unit NATURAL BUTTES

Location: 1/4,1/4 SWNW Sec 36 Tw 9.0S Rng 21.0E 1538 FNL 791 FWL

GPS Coord (UTM) 627481 4428329 Surface Owner

Participants

Sheila Wopsock, Charles Chase, Danielle Piernot, Doyle Holmes, (Anadarko). John Slaugh, Mitch Batty, (Timberline). Jim Davis (SITLA). Alex Hansen (DWR). Chris Jensen and David Hackford, (DOGM).

Regional/Local Setting & Topography

This site is a proposed location which will require pad and reserve pit construction.

The general area is in the central portion of the Natural Buttes Unit, but this section is not part of the unit. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River is approximately six miles. The side drainages are dry except for ephemeral flows. The washes are sometimes rimmed with steep side hills which have exposed sandstone bedrock cliffs along the rims. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Ouray, Utah is approximately 14 road miles to the northwest. Five directional wells will be drilled from this proposed pad. The location will run in an east-west direction on the gradual east slope a sharp rocky point. This point is 400' to the west. No drainage concerns exist, and no diversions will be needed. The pad should be stable and should be a suitable location for five wells, and is the best site available in the immediate area.

Surface Use Plan

Current Surface Use

Wildlfe Habitat

New Road Miles Well Pad Src Const Material Surface Formation

0.01 Width 352 Length 465 Onsite UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Prickly pear, wild onion, shadscale, mat saltbrush, Indian ricegrass, halogeton, pepper grass. Principal species present are cheatgrass, black sagebrush, stipa, mesquite grass.

Sheep, antelope, coyote, raptors, small mammals and birds.

3/20/2012 Page 1

Soil Type and Characteristics

Rocky sandy clay loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potental Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit

| Site-Specific Factors | Site Ran | king | |
|-----------------------------------|------------------|------|---------------------|
| Distance to Groundwater (feet) | 100 to 200 | 5 | |
| Distance to Surface Water (feet) | >1000 | 0 | |
| Dist. Nearest Municipal Well (ft) | >5280 | 0 | |
| Distance to Other Wells (feet) | | 20 | |
| Native Soil Type | Mod permeability | 10 | |
| Fluid Type | Fresh Water | 5 | |
| Drill Cuttings | Normal Rock | 0 | |
| Annual Precipitation (inches) | | 0 | |
| Affected Populations | | | |
| Presence Nearby Utility Conduits | Not Present | 0 | |
| | Final Score | 40 | 1 Sensitivity Level |

Characteristics / Requirements

The reserve pit is planned in an area of cut except for 1.3 feet on the east side of pit. The reserve pit will be on the south side of the location. Dimensions are 260' x 100' x 12' deep with two feet of freeboard. Kerr McGee has agreed to line this pit with a 30 mil synthetic liner and a layer of felt sub-liner, and also place an excess cut stockpile adjacent to and east of the pit where it will be somewhat in fill.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 30 Pit Underlayment Required? Y

Other Observations / Comments

David Hackford 1/11/2012

Evaluator Date / Time

3/20/2012 Page 2

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining

Page 1

APD No API WellNo Status Well Type Surf Owner CBM 5066 43047522780000 SITLA GW S No

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P. Surface Owner-APD

Well Name Morgan State 921-36E1CS Unit

Field NATURAL BUTTES Type of Work DRILL

Location SWNW 36 9S 21E S 1538 FNL 791 FWL GPS Coord

(UTM) 627488E 4428326N

Geologic Statement of Basis

Kerr McGee proposes to set 2,620' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 1,500'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of Section 36. The well is listed as 2,640 feet deep and used for drilling water. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed casing and cement should adequately protect. Any usable ground water.

Brad Hill **APD Evaluator**

2/8/2012 **Date / Time**

Surface Statement of Basis

The general area is in the central portion of the Natural Buttes Unit, but this section is not part of that unit. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River is six miles. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 42.7 miles to the northwest. Access from Vernal is by following Utah State, Uintah County and oilfield development roads.

Five wells will be directionally drilled from this location. They are the Morgan State 921-36D4CS, Morgan State 921-36E1BS, Morgan State 921-36E1CS, Morgan State 921-36E4BS and the Morgan State 921-36E4CS. It will be necessary to place an excess cut stockpile along the east side of the reserve pit where the pit will be in 1.3 feet of fill. The pad should be stable and sufficient for five wells, and is the best site for a location in the immediate area.

Both the surface and minerals are owned by SITLA. Jim Davis of SITLA and Alex Hansen with DWR were invited by email to the pre-site evaluation. Both were present. Kerr McGee personnel were told to consult with SITLA for reclamation standards including seeding mixes to be used.

David Hackford

Onsite Evaluator

1/11/2012 **Date / Time**

Conditions of Approval / Application for Permit to Drill
Category Condition

RECEIVED: March 20, 2012

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining 3/20/2012 Page 2

A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed Pits and maintained in the reserve pit.

Pits The reserve pit should be located on the east side of the location, and an excess cut stockpile shall

be placed on the east side of the pit.

RECEIVED: March 20, 2012

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/19/2011 API NO. ASSIGNED: 43047522780000

WELL NAME: Morgan State 921-36E1CS

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995) PHONE NUMBER: 720 929-6156

CONTACT: Danielle Piernot

PROPOSED LOCATION: SWNW 36 090S 210E Permit Tech Review:

> **SURFACE: 1538 FNL 0791 FWL** Engineering Review:

> **BOTTOM:** 1944 FNL 0821 FWL **Geology Review:**

COUNTY: UINTAH

LATITUDE: 39.99550 LONGITUDE: -109.50659 UTM SURF EASTINGS: 627488.00 NORTHINGS: 4428326.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 3 - State

LEASE NUMBER: ML 22265 PROPOSED PRODUCING FORMATION(S): BLACKHAWK

SURFACE OWNER: 3 - State **COALBED METHANE: NO**

RECEIVED AND/OR REVIEWED: LOCATION AND SITING:

✓ PLAT R649-2-3.

Bond: STATE/FEE - 22013542 Unit:

Potash R649-3-2. General

Oil Shale 190-5

Oil Shale 190-3 R649-3-3. Exception **Drilling Unit** Oil Shale 190-13

Board Cause No: Cause 173-24 Water Permit: 43-8496

Effective Date: 10/5/2009 **RDCC Review:**

Siting: 460' Fr Exterior Lease Boundary Fee Surface Agreement

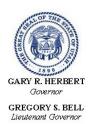
✓ Intent to Commingle R649-3-11. Directional Drill

Commingling Approved

Comments: Presite Completed

Stipulations:

3 - Commingling - ddoucet 5 - Statement of Basis - bhill 15 - Directional - dmason 17 - Oil Shale 190-5(b) - dmason 25 - Surface Casing - hmacdonald



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Morgan State 921-36E1CS

API Well Number: 43047522780000

Lease Number: ML 22265 Surface Owner: STATE Approval Date: 3/20/2012

Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-24. The expected producing formation or pool is the BLACKHAWK Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Commingle:

In accordance with Board Cause No. 173-24, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil

shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan contact Dustin Doucet
- Significant plug back of the well contact Dustin Doucet
- Plug and abandonment of the well contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well - contact Carol Daniels OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at http://oilgas.ogm.utah.gov

- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to cementing or testing casing contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
 - contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 office
- Dustin Doucet 801-538-5281 office

801-733-0983 - after office hours

• Dan Jarvis 801-538-5338 - office

801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
 - Requests to Change Plans (Form 9) due prior to implementation
 - Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
 - Report of Water Encountered (Form 7) due within 30 days after completion
 - Well Completion Report (Form 8) due within 30 days after completion or

Approved By:

For John Rogers Associate Director, Oil & Gas Sundry Number: 25766 API Well Number: 43047522780000

| | STATE OF UTAH | | FORM 9 |
|--|---|--|---|
| ι | DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN | | 5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| SUNDR | RY NOTICES AND REPORTS | ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | pposals to drill new wells, significantly reenter plugged wells, or to drill horizon for such proposals. | | 7.UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: Morgan State 921-36E1CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047522780000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | n Street, Suite 600, Denver, CO, 8021 | PHONE NUMBER: 73779 720 929-0 | 9. FIELD and POOL or WILDCAT: 5MATURAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1538 FNL 0791 FWL | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH | IIP, RANGE, MERIDIAN: 36 Township: 09.0S Range: 21.0E Meri | dian: S | STATE: UTAH |
| 11. CHECI | K APPROPRIATE BOXES TO INDICA | TE NATURE OF NOTICE, REPOF | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | ACIDIZE | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME |
| | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | FRACTURE TREAT | ☐ NEW CONSTRUCTION |
| | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK |
| ✓ SPUD REPORT | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON |
| 5/12/2012 | | | |
| DRILLING REPORT | L TUBING REPAIR | ☐ VENT OR FLARE ☐ | ☐ WATER DISPOSAL |
| Report Date: | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION |
| | WILDCAT WELL DETERMINATION | OTHER | OTHER: |
| MIRU TRIPLE A BU RAN 14" 36.7# SCHI | COMPLETED OPERATIONS. Clearly show CKET RIG. DRILLED 20" CON EDULE 10 CONDUCTOR PIPI LOCATION ON DATE 5/12/20 | IDUCTOR HOLE TO 40'. E. CMT W/28 SX READY | Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 16, 2012 |
| NAME (PLEASE PRINT) | PHONE NUMB | | |
| Cara Mahler | 720 929-6029 | Regulatory Analyst I | |
| SIGNATURE N/A | | DATE 5/15/2012 | |

SUBMIT AS EMAIL

Print Form

BLM - Vernal Field Office - Notification Form

| - | rator <u>RERR-IVICUEE OIL & GA</u> | | | |
|---------------------|---|---------------------|------------|----------------------|
| | mitted By <u>J. Scharnowske</u> | | | .929.6304 |
| Well | Name/Number MORGAN ST | <u> [ATE 921-36</u> | E1CS | i |
| Qtr/ | Qtr <u>swnw</u> Section <u>36</u> | Township g | <u>s</u> l | Range <u>21E</u> |
| | se Serial Number ML 22265 | | | |
| API | Number <u>4304752278</u> | | | |
| | <u>d Notice</u> – Spud is the initial below a casing string. | spudding o | of the we | ell, not drilling |
| | Date/Time <u>05/11/2012</u> | 11:00 HRS | АМ 🗌 | РМ |
| <u>Casi</u> time | ng – Please report time casi es. | ng run start | ts, not c | ementing |
| \checkmark | Surface Casing | | - | RECEIVED |
| | Intermediate Casing | | | MAY 0 9 2012 |
| | Production Casing | | | MAI US ZUIZ |
| | Liner | | VIQ | OF OIL, GAS & MINING |
| | Other | | | |
| | Date/Time <u>05/28/2012</u> | 08:00 HRS | АМ | РМ |
| BOP | E | | | |
| | Initial BOPE test at surface | casing poir | nt | |
| | BOPE test at intermediate | | | |
| | 30 day BOPE test | . | | |
| | Other | | | |
| | Date/Time | | AM | РМ |
| Rem | narks estimated date and time. Plea | SE CONTACT KENN | Y GATHINGS | AT |
| 435.82 | 28.0986 OR LOVEL YOUNG AT 435.781.705 | 51 | | |

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

KERR McGEE OIL & GAS ONSHORE LP

Operator Account Number: N 2995

Address:

P.O. Box 173779

city DENVER

state CO zip 80217

Phone Number: (720) 929-6029

Well 1

| API Number | Well | Name | QQ Sec Twp | | | Rng County | |
|-------------|--------------------------|----------------------|------------|------------|----------------------------------|------------|--------|
| 4304752276 | MORGAN STATE 92 | STATE 921-36D4CS | | SWNW 36 9S | | 21E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| A | 99999 | 19529 | 5/11/2012 | | 51 | 120B | |

Well 2

| API Number | Well | Name | QQ | QQ Sec Twp | | Rng County | | |
|-------------|---------------------------------|----------------------|----------------|------------|---------|----------------------------------|-------------------------------|--|
| 4304752277 | MORGAN STATE | 921-36E1BS | SWNW 36 9S 21E | | | | UINTAH | |
| Action Code | Current Entity Number | New Entity Number | S | Spud Date | | Entity Assignment Effective Date | | |
| A | 99999 | 16530 | 5/12/2012 | | | 511 | 6 12012 | |
| | BUCKET RIG. WELL LOCATION OF | | MRS. BH | VRI |) Wh | | φ 1ω1 α | |

Well 3

| API Number | Well | Name | QQ Sec Twp | | Rng County 21E UINTAH | | |
|-------------|---------------------------------|-------------------------|------------|--------------|----------------------------------|----------|----------|
| 4304752278 | MORGAN | MORGAN STATE 921-36E1CS | | SWNW 36 | | | |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| A | 99999 | 18531 | 5/12/2012 | | | 5/1 | 10 12012 |
| | BUCKET RIG. WELL LOCATION ON | N 5/12/2012 AT 9:30 H | | MVF H : S | es Swn | <u> </u> | |

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section ECEIVED

CARA MAHLER

Name (Please Print)

Signature

REGULATORY ANALYST

5/15/2012

Title

Date

MAY 1 0 2012

Sundry Number: 26357 API Well Number: 43047522780000

| | STATE OF UTAH | | FORM 9 |
|--|---|--|--|
| ı | DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND MII | | 5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| SUNDR | RY NOTICES AND REPORTS | ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | pposals to drill new wells, significantly reenter plugged wells, or to drill horizon for such proposals. | | 7.UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: Morgan State 921-36E1CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | NSHORE, L.P. | | 9. API NUMBER: 43047522780000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | h Street, Suite 600, Denver, CO, 8021 | PHONE NUMBER: 7 3779 720 929-6 | 9. FIELD and POOL or WILDCAT: 5M&TUTRAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1538 FNL 0791 FWL | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH | HIP, RANGE, MERIDIAN: 36 Township: 09.0S Range: 21.0E Mer | idian: S | STATE: UTAH |
| 11. CHECI | K APPROPRIATE BOXES TO INDICA | TE NATURE OF NOTICE, REPOR | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | ACIDIZE | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME |
| | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | FRACTURE TREAT | NEW CONSTRUCTION |
| | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK |
| SPUD REPORT | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | ☐ TEMPORARY ABANDON |
| | TUBING REPAIR | VENT OR FLARE | WATER DISPOSAL |
| DRILLING REPORT Report Date: | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION |
| 6/2/2012 | WILDOAT WELL DETERMINATION | OTHER | OTHER: |
| | WILDCAT WELL DETERMINATION | U OTHER | <u> </u> |
| MIRU AIR RIG ON 5 SURFACE CASING | COMPLETED OPERATIONS. Clearly show 5/30/2012. DRILLED SURFACE AND CEMENTED. WELL IS WANT JOB WILL BE INCLUDED WELL BE REPORT. | CE HOLE TO 2635'. RAN AITING ON ROTARY RIG. | Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY June 04, 2012 |
| | | | |
| | | | |
| NAME (PLEASE PRINT) | PHONE NUME | | |
| Cara Mahler SIGNATURE | 720 929-6029 | Regulatory Analyst I | |
| SIGNATURE N/A | | 6/4/2012 | |

Carol Daniels - PRODUCTION CASING ON MORGAN STATE 921-36E1CS

TOPS RAIE 5-36

From:

"Anadarko - H&P 298" <hp298@gesmail.net>

43 047 59918

To:

<caroldaniels@utah.gov>

Date:

7/10/2012 8:43 AM

Subject: PRODUCTION CASING ON MORGAN STATE 921-36E1CS

CAROL,

WILL TD TODAY 7/10/2012 @ 9,555 , ON MORGAN STATE 921-36E1CS,H&P 298,WE WILL BE RUNNING 41/2 PROD CSG & CEMENTING, WEDNESDAY MORNING 07/11/2012, THEN SKID OVER TO MORGAN STATE 921-36E4BS ON WEDNESDAY AFTERNOON & DO INITIAL PRESSURE TEST ON BOP,S

Have a nice day

JIM MURRAY H&P 298 435 828 0957

> **RECEIVED** JUL 1 0 2012

DIV. OF OIL, GAS & MINING

Sundry Number: 27839 API Well Number: 43047522780000

| | STATE OF UTAH | | FORM 9 |
|--|--|---|--|
| ı | DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN | | 5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| SUNDR | Y NOTICES AND REPORTS | ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| Do not use this form for pro current bottom-hole depth, I FOR PERMIT TO DRILL form | posals to drill new wells, significantly or reenter plugged wells, or to drill horizor n for such proposals. | deepen existing wells below ntal laterals. Use APPLICATION | 7.UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: Morgan State 921-36E1CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047522780000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18tl | n Street, Suite 600, Denver, CO, 80217 | PHONE NUMBER: 3779 720 929-6 | 9. FIELD and POOL or WILDCAT: 5M&TUTRAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1538 FNL 0791 FWL | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH | HP, RANGE, MERIDIAN: 36 Township: 09.0S Range: 21.0E Merio | lian: S | STATE: UTAH |
| 11. CHECI | K APPROPRIATE BOXES TO INDICAT | E NATURE OF NOTICE, REPOR | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | ACIDIZE | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME |
| | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | FRACTURE TREAT | ☐ NEW CONSTRUCTION |
| | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK |
| SPUD REPORT | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON |
| | TUBING REPAIR | VENT OR FLARE | WATER DISPOSAL |
| DRILLING REPORT Report Date: | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION |
| 7/12/2012 | WILDCAT WELL DETERMINATION | OTHER | OTHER: |
| MIRU ROTARY R 7/10/2012. RAN 4-1 PRODUCTION CASI OF CEMENT JOB | COMPLETED OPERATIONS. Clearly show a IG. FINISHED DRILLING FRO /2" 11.6# I-80 PRODUCTION NG. RELEASED H&P 298 RIG WILL BE INCLUDED WITH THE . IS WAITING ON FINAL COMP | M 2635' TO 9555' ON I CASING. CEMENTED ON 7/12/2012. DETAILS WELL COMPLETION | Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY July 20, 2012 |
| NAME (PLEASE PRINT) Cara Mahler | PHONE NUMBI 720 929-6029 | ER TITLE Regulatory Analyst I | |
| SIGNATURE | . 23 020 0020 | DATE | |
| l N/A | | 7/17/2012 | |

RECEIVED: Jul. 17, 2012

Sundry Number: 29600 API Well Number: 43047522780000

| | FORM 9 | | |
|--|---|------------------------------------|---|
| ı | DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | 3 | 5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| SUNDR | Y NOTICES AND REPORTS ON | WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | posals to drill new wells, significantly deep reenter plugged wells, or to drill horizontal n for such proposals. | | 7.UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: MORGAN STATE 921-36E1CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047522780000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | PHO n Street, Suite 600, Denver, CO, 80217 377 | DNE NUMBER: 79 720 929-6 | 9. FIELD and POOL or WILDCAT: 5NIATUERAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1538 FNL 0791 FWL | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH | IIP, RANGE, MERIDIAN: 36 Township: 09.0S Range: 21.0E Meridian | : S | STATE: UTAH |
| 11. CHECI | K APPROPRIATE BOXES TO INDICATE N | IATURE OF NOTICE, REPOR | T, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| _ | ACIDIZE | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME |
| SUBSEQUENT REPORT | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| Date of Work Completion: | DEEPEN | FRACTURE TREAT | NEW CONSTRUCTION |
| | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK |
| SPUD REPORT Date of Spud: | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON |
| ✓ DRILLING REPORT | TUBING REPAIR | VENT OR FLARE | WATER DISPOSAL |
| Report Date: 9/5/2012 | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION |
| 9/5/2012 | WILDCAT WELL DETERMINATION | OTHER | OTHER: |
| No Activity fo | COMPLETED OPERATIONS. Clearly show all per the month of August 2012. W | ell TD at 9,555 | epths, volumes, etc. Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY September 11, 2012 |
| Lindsey Frazier | 720 929-6857 | Regulatory Analyst II | |
| SIGNATURE N/A | | DATE 9/5/2012 | |

Sundry Number: 29978 API Well Number: 43047522780000

| | STATE OF UTAH | | FORM 9 | | | |
|--|--|--------------------------------|---|--|--|--|
| 1 | DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ | G | 5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 | | | |
| SUNDR | Y NOTICES AND REPORTS ON | I WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | | |
| | posals to drill new wells, significantly dee reenter plugged wells, or to drill horizontal n for such proposals. | | 7.UNIT or CA AGREEMENT NAME: | | | |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: MORGAN STATE 921-36E1CS | | | |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047522780000 | | | |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | PH n Street, Suite 600, Denver, CO, 80217 37 | ONE NUMBER: 79 720 929-6 | 9. FIELD and POOL or WILDCAT: 5NIATUERAL BUTTES | | | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1538 FNL 0791 FWL | | | COUNTY: UINTAH | | | |
| QTR/QTR, SECTION, TOWNSH | IIP, RANGE, MERIDIAN: 36 Township: 09.0S Range: 21.0E Meridiar | n: S | STATE: UTAH | | | |
| 11. CHECI | K APPROPRIATE BOXES TO INDICATE I | NATURE OF NOTICE, REPOR | T, OR OTHER DATA | | | |
| TYPE OF SUBMISSION | | TYPE OF ACTION | | | | |
| 7 | ACIDIZE | ALTER CASING | CASING REPAIR | | | |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME | | | |
| 9/17/2012 | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE | | | |
| SUBSEQUENT REPORT | DEEPEN | FRACTURE TREAT | NEW CONSTRUCTION | | | |
| Date of Work Completion: | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK | | | |
| | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION | | | |
| SPUD REPORT Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON | | | |
| | U TUBING REPAIR | VENT OR FLARE | WATER DISPOSAL | | | |
| DRILLING REPORT | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION | | | |
| Report Date: | ☐ WILDCAT WELL DETERMINATION ✓ | OTHER | OTHER: Top Down Cement | | | |
| | | | <u>,</u> | | | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Operator would like to perfomr a Top Down Cement job into the Surface Casing in order to bring the Top of Cement above the Surface Casing Shoe. The Surface Casing Shoe is at 2627' and the Top of Cement is currently 2988'. 375 sacks of cement will be used in the Top Down Cement Job. Thank you. Approved by the Utah Division of Oil, Gas and Mining Oil, Gas and Mining Date: September 17, 2012 | | | | | | |
| | | | By: 197 (Card | | | |
| NAME (PLEASE PRINT) Cara Mahler | PHONE NUMBER 720 929-6029 | TITLE Regulatory Analyst I | | | | |
| SIGNATURE N/A | | DATE 9/17/2012 | | | | |

Sundry Number: 30357 API Well Number: 43047522780000

| | STATE OF UTAH | | FORM 9 |
|--|--|------------------------------------|---|
| 1 | DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | 3 | 5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| SUNDR | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | |
| | posals to drill new wells, significantly dee reenter plugged wells, or to drill horizontal n for such proposals. | | 7.UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: MORGAN STATE 921-36E1CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047522780000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | PHO h Street, Suite 600, Denver, CO, 80217 37 | ONE NUMBER: 79 720 929-6 | 9. FIELD and POOL or WILDCAT: 5NIATUERAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1538 FNL 0791 FWL | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SWNW Section: | HIP, RANGE, MERIDIAN: 36 Township: 09.0S Range: 21.0E Meridian | : S | STATE: UTAH |
| 11. CHECI | K APPROPRIATE BOXES TO INDICATE N | NATURE OF NOTICE, REPOR | T, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | CHANGE TO PREVIOUS PLANS CHANGE WELL STATUS DEEPEN OPERATOR CHANGE PRODUCTION START OR RESUME REPERFORATE CURRENT FORMATION TUBING REPAIR WATER SHUTOFF | | CASING REPAIR CHANGE WELL NAME CONVERT WELL TYPE NEW CONSTRUCTION PLUG BACK RECOMPLETE DIFFERENT FORMATION TEMPORARY ABANDON WATER DISPOSAL APD EXTENSION OTHER: Pepths, volumes, etc. Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 02, 2012 |
| | | | |
| NAME (PLEASE PRINT) Lindsey Frazier | PHONE NUMBER 720 929-6857 | TITLE Regulatory Analyst II | |
| SIGNATURE N/A | | DATE 10/1/2012 | |

Sundry Number: 31033 API Well Number: 43047522780000

| | STATE OF UTAH | | FORM 9 |
|--|---|--|---|
| 1 | DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND MI | | 5.LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| SUNDR | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | |
| | posals to drill new wells, significantly reenter plugged wells, or to drill horiz n for such proposals. | | 7.UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: MORGAN STATE 921-36E1CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047522780000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18tl | h Street, Suite 600, Denver, CO, 8021 | PHONE NUMBER: 17 3779 720 929-0 | 9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1538 FNL 0791 FWL | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH | HIP, RANGE, MERIDIAN: 36 Township: 09.0S Range: 21.0E Me | ridian: S | STATE: UTAH |
| 11. CHEC | K APPROPRIATE BOXES TO INDICA | ATE NATURE OF NOTICE, REPOR | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | ACIDIZE | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME |
| | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | FRACTURE TREAT | NEW CONSTRUCTION |
| | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK |
| SPUD REPORT | ✓ PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON |
| | TUBING REPAIR | VENT OR FLARE | WATER DISPOSAL |
| DRILLING REPORT Report Date: | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION |
| 10/10/2012 | WILDCAT WELL DETERMINATION | OTHER | OTHER: |
| The subject wel | COMPLETED OPERATIONS. Clearly show I was placed on production I History will be submitted was Report. | on 10/10/2012. The | <u>'</u> |
| NAME (PLEASE PRINT) Lindsey Frazier | PHONE NUM 720 929-6857 | BER TITLE Regulatory Analyst II | |
| SIGNATURE | | DATE | |
| N/A | | 10/15/2012 | |

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

KERR McGEE OIL & GAS ONSHORE LP

Operator Account Number: N 2995

Address:

P.O. Box 173779

city DENVER

state CO

Phone Number: (720) 929-6857

Well 1

| API Number | Well I | Name | QQ | Sec | Twp | Rng | County |
|-----------------|--------------------------|----------------------|-------------|-----|-------------------------------------|--------|----------|
| 4304752276 | Morgan State 9 | 921-36D4CS | SWNW | 36 | 98 | 21E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| E | 18529 | 18529 | 5/11/2012 | | 10/9 | 6/3013 | |
| Comments: Thick | wall is completed in the | Maastah and Mass | ordo format | | | | 21.42412 |

This well is completed in the Wasatch and Mesaverde formations.

zip 80217

11/21/2019

BHL: DWDW)

Well 2

Well 3

| API Number | Well I | Name | QQ | Sec | Twp | Rng | County |
|------------------|----------------------------|----------------------|-------------|-----------|-----|-------------------------------------|---------|
| 4304752277 | Morgan State 921- | 36E1BS | SWNW | 36 | 9S | 21E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Sı | Spud Date | | Entity Assignment Effective Date | |
| Е | 18536 | 18530 | 5 | /12/201 | 2 | 10/ | 4/2012 |
| Comments: This v | vell is completed in the \ | Wasatch and Mesav | erde format | ions. | | 11/ | 21/2012 |

BHL: SWNW

| Well N | Name | QQ | Sec | Twp | Rng | County |
|--------------------------|--------------------------------------|---------------|---|---|--|---|
| Morgan State 9 | 21-36E1CS SWNW 36 9S | | 21E UINTAH | | | |
| Current Entity Number | New Entity Number | Spud Date | | | ty Assignment ffective Date | |
| 18531 | 18531 | 5/12/2012 | | 16/ | 10/3013 | |
| | Morgan State 9 Current Entity Number | Number Number | Morgan State 921-36E1CS SWNW Current Entity New Entity Number Number | Morgan State 921-36E1CS SWNW 36 Current Entity New Entity Number Spud Date Number Number | Morgan State 921-36E1CS SWNW 36 9S Current Entity Number Number Spud Date | Morgan State 921-36E1CS SWNW 36 9S 21E Current Entity Number Number Spud Date Entity Number Entity |

This well is completed in the Wasatch and Mesaverde formations.

11/21/2012

BHL: SI WSMVD

ACTION CODES:

- A Establish new entity for new well (single well only)
- **B** Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a PENFIVED
- E Other (Explain in 'comments' section)

NOV 20 2012

Lindsey Frazier

Name (Please Print)

Signature

Title

REGULATORY ANALYST II

11/20/2012

Date

Landing Francisco

STATE OF UTAH AMENDED REPORT FORM 8 DEPARTMENT OF NATURAL RESOURCES (highlight changes) DIVISION OF OIL, GAS AND MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 6. IF INDIAN, ALLOTTEE OR TRIBE NAME WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1a. TYPE OF WELL: 7. UNIT or CA AGREEMENT NAME GAS Z OTHER UTU63047A b. TYPE OF WORK: 8. WELL NAME and NUMBER: RE-ENTRY DIFF. RESVR. **MORGAN STATE 921-36E1CS** OTHER 2. NAME OF OPERATOR 9. API NUMBER: KERR MCGEE OIL & GAS ONSHORE, L.P. 4304752278 3. ADDRESS OF OPERATOR: PHONE NUMBER: 10 FIELD AND POOL, OR WILDCAT STATE CO ZIP 80217 P.O.BOX 173779 (720) 929-6000 **NATURAL BUTTES** CITY DENVER 4. LOCATION OF WELL (FOOTAGES) QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: AT SURFACE: SWNW 1538 FNL 791 FWL S36, T9S, R21E SWNW 36 9S 21E S AT TOP PRODUCING INTERVAL REPORTED BELOW: SWNW 1941 FNL 809 FWL S36, T9S, R21E 12. COUNTY 13. STATE AT TOTAL DEPTH: SWNW 1949 FNL 849 FWL S36,T9S,R21E **UTAH** UINTAH 16. DATE COMPLETED: 14. DATE SPUDDED: 15. DATE T.D. REACHED: 17. ELEVATIONS (DF, RKB, RT, GL): ABANDONED READY TO PRODUCE 7 5/12/2012 7/10/2012 10/10/2012 5007 GL 19. PLUG BACK T.D.: MD 9,480 18. TOTAL DEPTH: 21. DEPTH BRIDGE MD 9.555 20. IF MULTIPLE COMPLETIONS, HOW MANY? PLUG SET: TVD 9,454 55 TVD 9.529.30 TVD 22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) WAS WELL CORED? NO 🔽 YES (Submit analysis) CBL/GR/CCL/TEMP NO 🗸 WAS DST RUN? YES (Submit report) DIRECTIONAL SURVEY? NO YES 7 (Submit copy) 24. CASING AND LINER RECORD (Report all strings set in well) STAGE CEMENTER **CEMENT TYPE &** SLURRY HOLE SIZE SIZE/GRADE WEIGHT (#/ft.) TOP (MD) BOTTOM (MD) AMOUNT PULLED CEMENT TOP ** DEPTH NO. OF SACKS VOLUME (BBL) 20" STL 36.7# 0 40 28 11" 28# 0 2.627 8 5/8' **IJ-55** 700 0 7 7/8" 4 1/2' 1-80 11.6# 0 9.526 1,590 2988 25. TUBING RECORD SIZE DEPTH SET (MD) PACKER SET (MD) SIZE DEPTH SET (MD) PACKER SET (MD) SIZE DEPTH SET (MD) PACKER SET (MD) 2 3/8" 8.761 26. PRODUCING INTERVALS 27. PERFORATION RECORD BOTTOM (TVD) FORMATION NAME TOP (MD) BOTTOM (MD) TOP (TVD) INTERVAL (Top/Bot - MD) NO HOLES PERFORATION STATUS SIZE (A) WASATCH 6,105 7,259 7,259 0.36 Open 🗸 6,105 96 Squeezed **MESAVERDE** 7.387 9.238 7.387 9.238 0.36 168 Open (C) Open Squeezed (D) Open Squeezed 28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND TYPE OF MATERIAL 6105-9238 PUMP 12,556 BBLS SLICK H2O & 285,020 LBS 30/50 OTTAWA SAND 11 STAGES 29. ENCLOSED ATTACHMENTS: 30. WELL STATUS: ✓ DIRECTIONAL SURVEY ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT PROD OTHER: SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS

(CONTINUED ON BACK)

NOV 0 6 2012

| 34 | INITIAL | DDOD | UCTION |
|----|---------|------|--------|
| | | | |

INTERVAL A (As shown in Item #26)

| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
|--------------------------|----------------------|---------------------------------------|-------------|---------------|------------------|---------------------------|-----------------|---------------------|--------------|----------------------|
| 10/10/2012 | | 10/15/2012 | | 24 | | RATES: → | 0 | 1,920 |] 0 | FLOWING |
| CHOKE SIZE: 20/64 | TBG. PRESS. 1,536 | CSG. PRESS. 2,179 | API GRAVITY | BTU - GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: 0 | GAS - MCF: 1,920 | WATER - BBL: | INTERVAL STATUS PROD |
| | | | | IN: | TERVAL B (As sho | wn in item #26) | | | | |
| DATE FIRST PF | RODUCED: | TEST DATE: | | HOURS TESTE | D: | TEST PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU - GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL BBL: | GAS - MCF: | WATER - BBL: | INTERVAL STATUS |
| | | | | JN. | TERVAL C (As sho | wn in item #26) | | | | |
| DATE FIRST PF | RODUCED: | TEST DATE: | | HOURS TESTE | D: | TEST PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU - GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL BBL: | GAS - MCF: | WATER BBL: | INTERVAL STATUS |
| | | | | IN. | TERVAL D (As sho | wn in item #26) | | | | |
| DATE FIRST PF | RODUCED: | TEST DATE: | | HOURS TESTE | D: | TEST PRODUCTION RATES: → | OIL - BBL: | GAS MCF: | WATER BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU - GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL BBL: | GAS MCF: | WATER BBL: | INTERVAL STATUS |
| SOLD | ON OF GAS (Sold | , , , , , , , , , , , , , , , , , , , | | | | | | | | |
| OO CHIMMADV | OF BOBOLIE 701 | ICC (Include Anu | Mann. | | | 104 | PARMETIAN | /I AM MADVEDE. | | |

33. SUMMARY OF POROUS ZONES (include Aquifers):

34. FORMATION (Log) MARKERS:

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

| Formation | Top (MD) | | | Name | Top (Measured Depth) |
|-----------|-------------|--|--|--|---|
| | | | | GREEN RIVER BIRD'S NEST MAHOGANY WASATCH MESAVERDE | 1,450 1,716 2,246 4,674 7,381 |
| | | | | | |

35. ADDITIONAL REMARKS (Include plugging procedure)

The first 210' of the surface hole was drilled with a 12 %" bit. The remainder of surface hole was drilled with an 11" bit. DQX csg was run from surface to 5003'; LTC csg was run from 5003' to 9526'. As per the Sundry Notice approved 9/17/12 a top down cement job using 377 sx cement was performed to get cement to surface. Attached is the chronological well history, perforation report & final survey.

| 36. I hereby certif | y that the foregoing and | ttached information is | complete and correct as | determined from all | avallable records. |
|---------------------|--------------------------|------------------------|-------------------------|---------------------|--------------------|
|---------------------|--------------------------|------------------------|-------------------------|---------------------|--------------------|

| NAME (PLEASE PRINT), LINDSEY FRAZIER | TITLE | REGULATORY ANALYST |
|--------------------------------------|-------|--------------------|
| SIGNATURE Jundan trager | DATE | 11-2-12 |

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

Send to:

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

^{*} ITEM 20: Show the number of completions if production is measured separately from two or more formations.

^{**} ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Operation Summary Report

Well: MORGAN STATE 921-36E1CS YELLOW Spud Date: 5/30/2012 Site: MORGAN STATE 921-36E PAD Project: UTAH-UINTAH Rig Name No: H&P 298/298, CAPSTAR 310/310 Event: DRILLING End Date: 7/11/2012 Start Date: 5/16/2012

Active Datum: RKB @5,033.00usft (above Mean Sea

UWI: SW/NW/0/9/S/21/E/36/0/0/26/PM/N/1538/W/0/791/0/0

| L | e٧ | е | I) | |
|---|----|---|----|--|
| | | | | |
| | | | | |

| Level) | | | | | | | | |
|-----------|-------|--------------------|------------------|--------|----------|-------------|-----|--|
| Date | | Time tart-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From Operation (usft) |
| 5/30/2012 | 1:30 | - 3:30 | 2.00 | MIRU | 01 | С | Р | SKID RIG & RU |
| | 3:30 | - 5:30 | 2.00 | PRPSPD | 14 | Α | P | WELD ON CONDUCTOR & RIG UP FLOW LINE |
| | 5:30 | - 6:00 | 0.50 | PRPSPD | 06 | Α | Р | PU 12.25" BIT & 8" MUD MOTOR & TIH |
| | 6:00 | - 8:00 | 2.00 | DRLSUR | 02 | В | P | DRILL 12.25" SURFACE HOLE F/ 49'- 210' ROP= 161' @ 80.5 FPH WOB= 14/22K RPM= 55/105 SPP=800/500 GPM= 595 TRQ= 2600/1900 PU/SO/ROT = 49/46/47 NO LOSSES HOLE IN GOOD SHAPE |
| | 8:00 | - 8:30 | 0.50 | DRLSUR | 06 | Α | P | TOOH & LAY DOWN 12,25" BIT |
| | 8:30 | - 0:00 | 15.50 | DRLSUR | 08 | Α | Z | WORK ON DRUM BRAKES (REPLACE WORN LINKAGE & PINS) |
| 5/31/2012 | 0:00 | - 5:30 | 5.50 | DRLSUR | 80 | Α | Z | REPLACE PIN POCKETS & PINS ON BRAKE LINKAGE |
| | 5:30 | - 6:30 | 1.00 | DRLSUR | 06 | Α | Р | PU 11" BIT & DIR TOOLS, SCRIBE & TIH |
| | 6:30 | - 9:00 | 2.50 | DRLSUR | 80 | Α | Z | WORK ON BRAKES (RE-ADIUST) |
| | 9:00 | - 16:30 - 17:00 | 7.50 | DRLSUR | 02 07 | D | P | DRILL 11" SURFACE HOLE F/ 210- 1224' ROP= 1014' @ 135 FPH WOB= 24/28K RPM= 55/105 SPP=1100/800 GPM= 595 TRQ= 2800/2400 PU/SO/ROT = 79/61/68 NO LOSSES HOLE IN GOOD SHAPE SERVICE RIG & EQUIPMENT |
| | | - 20:00 | 3.00 | DRLSUR | 02 | D | P | |
| | 17.00 | - 20:00 | 3.00 | DKLSUK | U2 | U | ۲ | DRILL 11" SURFACE HOLE F/ 1224'-1570' ROP= 346' @ 115 FPH WOB= 24/28K RPM= 55/105 SPP=1250/900 GPM= 595 TRQ= 2800/2400 PU/SO/ROT = 90/73/79 NO LOSSES HÖLE IN GOOD SHAPE |
| | 20:00 | - 20:30 | 0.50 | DRLSUR | 08 | В | Z | WORK ON #2 PUMP (PONY ROD BACKED OUT) |
| | 20.00 | - 20:30 | 0.50 | DRLSUK | 08 | В | | WORK ON #2 PUMP (PONY ROD BACKED OUT) |

Operation Summary Report

 Well: MORGAN STATE 921-36E1CS YELLOW
 Spud Date: 5/30/2012

 Project: UTAH-UINTAH
 Site: MORGAN STATE 921-36E PAD
 Rig Name No: H&P 298/298, CAPSTAR 310/310

 Event: DRILLING
 Start Date: 5/16/2012
 End Date: 7/11/2012

| Event: DRILLING | ز | | | Start Date | : 5/16/20 |)12 | | | End Date: 7/11/2012 |
|---------------------------|---------|--------------------|------------------|------------|-----------|---------------------|-----------|---|---|
| Active Datum: R _evel) | KB @5,0 | 33.00usft (al | oove Mean S | ea | UWI: S\ | /V/NVV /0/9. | /S/21/E/3 | 6/0/0/26/PM/N/1538/ | /W/0/791/0/0 |
| Date | | Time art-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
| | | - 0:00 | 3,50 | DRLSUR | 02 | D | Р | D | ORILL 11" SURFACE HOLE F/ 1570'-1914 COP= 344' @ 98 FPH |
| | | | | | | | | W R S G T | VOB= 24/28K RPM= 55/105 RPP=1250/900 RPM= 595 RQ= 2800/2400 PU/SO/ROT = 97/73/82 |
| | | | | | | | | N | IO LOSSES HOLE IN GOOD SHAPE |
| 6/1/2012 | 0:00 | - 9:00 | 9.00 | DRLSUR | 02 | D | P | R V | ORILL 11" SURFACE HOLE F/ 1914'-2635' ROP= 721' @ 80 FPH VOB= 24/28K RPM= 55/105 |
| | | | | | | | | S G T | PP=1250/900 PM= 595 RQ= 2800/2400 PU/SO/ROT = 118/89/100 |
| | 9:00 | - 9:30 | 0.50 | DRLSUR | 05 | Α | P | н | OST 20% RETURNS @ 2020' IOLE IN GOOD SHAPE BIRC & COND HOLE FOR 8.625" CSG |
| | 9:30 | - 13:30 | 4.00 | DRLSUR | 06 | A | P | | AY DOWN DRILL STRING |
| | 13:30 | - 18:00 | 4.50 | CSGSUR | 12 | С | P | P S | PJSM // RUN 59 JT'S, 8.625', 28#, J-55, LT&C CSG // SHOE SET @ 2609' AND BAFFLE @ 2564' |
| | | - 18:30 | 0.50 | CSGSUR | 05 | Α | P | C | CIRC *.625" CSG @ 2609' |
| | | - 19:30 - 20:30 | 1.00 | CSGSUR | 12 | E | P | B V 1 C D 1 F B L | PJSM WITH PRO PETRO CMT CREW /// PUMP 40 BBLS WATER AHEAD FOLLOWED BY 20 BBL GEL WATER FLUSH /// LEAD = 250sx CLASS G CMT @ 1.0 WT & 3.82 YIELD /// TAIL = 200sx CLASS G CMT @ 15.8 WT & 1.15 YIELD /// DROP PLUG & DISPLACE W/ 160 BBL'S WATER /// PLUG DN @ 9:18 06/01/2012 /// BUMP PLUG W/ 600 PSI /// FINAL LIFT = 300 PSI /// CHECK FLOATS - HELD W/ 1 BBL BACK /// LOST 75% RETURNS 80 BB'S INTO LEAD CMT /// NO CMT TO SURFACE CUT OFF CONDUCTOR & HANG SURFACE CSG |
| | | - 22:00 | 1,50 | CSGSUR | 12 | E | P | | RUN 150' OF 1" DN BACKSIDE & TOP OUT W/ 250 sx |
| | | | | | | | | C ff. | CLASS G CMT @ 15.8 WT & 1.15 YIELD + 4% Cad2 // CMT TO SURFACE /// RELEASE RIG @ 22:00 16/01/2012 TO MORGAN STATE 921-36E4BS |
| 7/7/2012 | | - 14:00 | 1.00 | MIRU | 01 | С | P | | SKID RIG 10' TO NBU 1022-F1CS,ALIGN OVER VELL |
| | 14:00 | - 16:00 | 2.00 | PRPSPD | 14 | A | Р | L | NIPPLE UP BOPS,FLOWLINE,MUD LINE,WATER INE,CHANGE OUT CASING BAILS,FOR DRILLING BAILS |
| | 16:00 | - 19:30 | 3,50 | PRPSPD | 15 | A | Р | C P R V | CTJSA RIG UP A-1 TESTER / PRESSURE TEST CASING 1500 HIGH 250 LOW FOR 30 MIN / PRESSURE TEST H&P EQUIP BLIND RAMS, PIPE RAMS, FLOOR VALVE, KILL LINES & KILL LINE /ALVES, BOP WING VALVES, HCR VALVE + CHOKE LINE; INNER AND OUTER CHOKE VALVES & MANIFOLD TO 250 PSI LOW @ 5 MINUTES + 5000 |
| | | | | | · | | | · P | PSI HIGH @ 10 MINUTES / TEST ANNULAR TO 250 PSI LOW @ 5 MINUTES + 2500 PSI HIGH |

10/30/2012 3:34:11PM

Operation Summary Report

Well: MORGAN STATE 921-36E1CS YELLOW

Spud Date: 5/30/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36E PAD

Rig Name No: H&P 298/298, CAPSTAR 310/310

Event: DRILLING

Start Date: 5/16/2012

End Date: 7/11/2012

Active Datum: RKB @5,033.00usft (above Mean Sea Level)

UWI: SW/NW/0/9/S/21/E/36/0/0/26/PM/N/1538/W/0/791/0/0

| _evel) | | | | | | | |
|----------|-------------------|---------------|--------|------|-------------|-----|---|
| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From Operation (usft) |
| | 19:30 - 20:00 | 0.50 | PRPSPD | 14 | В | Р | INSTALL WEAR BUSHING & SMITH BEARING ASSEMBLY |
| | 20:00 - 20:30 | 0.50 | PRPSPD | 15 | Α | Р | TEST SWACO ORBIT, CKOKE MANIFOLD VALVES TO 1,000 PSI |
| | 20:30 - 22:00 | 1.50 | PRPSPD | 06 | Α | P | M/U BIT,MUD MTR,DIRECTIONAL TOOLS / TEST SAME ,TRIP IN HOLE TAG @ 2,552' |
| | 22:00 - 23:00 | 1.00 | PRPSPD | 07 | В | Р | LEVEL DERRICK,PRE SPUD INSP,INSTALL ROT HEAD |
| | 23:00 ~ 0:00 | 1.00 | PRPSPD | 02 | F | P | DRILL FLOAT TRAC F/ 2,552-BAFFLE @ 2,589, |
| 7/8/2012 | 0:00 - 6:00 | 6.00 | DRLPRO | 02 | D | P | SHOE @ 2,628, OPEN HOLE TO 2,652 DRILL /SLIDE / SURVEY/ F/ 2,652-3,552 = 900' @ 150 FPH |
| | | | | | | | WOB 18,000-22,000 |
| | | | | | | | TOP DRIVE RPM 40-75 |
| | | | | | | | MUD MOTOR RPM 115 |
| | | | | | | | PUMPS 124 SPM= 558 GPM |
| | | | | | | | PUMP PRESSURE ON/OFF BTM 1,910/1,530 |
| | | | | | | | TORQUE ON/OFF BTM 7,000/ 4,000 |
| | | | | | | | PICK UP WT 112,000 |
| | | | | | | | SLACK OFF WT 95,000 |
| | | | | | | | ROT WT 103,000 |
| | | | | | | | SLIDE 75' IN 45 MIN 5.5 % OF FOOTAGE DRILLED, |
| | | | | | | | 12.5 %OF HRS DRILLED |
| | | | | | | | MUD WT 8.4 VIS 26, |
| | | | | | | | DROPPING TO VERTICAL -SURVEY @ 3,502 INC .81 |
| | | | | | | | AZM 229.48 NOV-D WATER |
| | | | | | | | SWACO OFF LINE |
| | 6:00 - 14:00 | 8.00 | DRLPRO | 02 | D | P | DRILL / SLIDE / SURVEY/ F/ 3,652-4,780 = 1,128' @ 141 FPH |
| | | | | | | | WOB 18,000-24,000 |
| | | | | | | | TOP DRIVE RPM 40-75 |
| | | | | | | | MUD MOTOR RPM 115 |
| | | | | | | | PUMPS 124 SPM= 558 GPM |
| | | | | | | | PUMP PRESSURE ON/OFF BTM 1,910/1,580 |
| | | | | | | | TORQUE ON/OFF BTM 7,000/ 4,000 |
| | | | | | | | PICK UP WT 112,000 |
| | | | | | | | SLACK OFF WT 95,000 |
| | | | | | | | ROT WT 103,000 |
| | | | | | | | SLIDE 40' IN 50 MIN 3.5 % OF FOOTAGE DRILLED, |
| | | | | | | | 10.4 %OF HRS DRILLED |
| | | | | | | | MAKE UP WATER 120 BBLS |
| | | | | | | | MUD WT 8.4 VIS 26, |
| | | | | | | | NOV-D WATER |
| | | | | | | | SWACO OFF LINE |
| | 14:00 - 14:30 | 0.50 | DRLPRO | 02 | D | Р | DAILY RIG SERVICE |

Operation Summary Report

| Well: MORGAN | STATE 921-36E1CS | YELLOW | | | | | Spud Date: 5/30/2012 | | | |
|----------------------------|-----------------------------|------------------|------------|---|-------------|----------|---|--|--|--|
| Project: UTAH-U | INTAH | | Site: MOF | RGAN ST | ATE 921 | -36E PAD | Rig Name No: H&P 298/298, CAPSTAR 310/310 | | | |
| Event: DRILLING | 3 | | Start Date | e: 5/16/20 | 012 | | End Date: 7/11/2012 | | | |
| Active Datum: RI Level) | KB @5,033.00usft (a | bove Mean Se | a | UWI: SW/NW/0/9/S/21/E/36/0/0/26/PM/N/1538/W/0/791/0/0 | | | | | | |
| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From Operation (usft) | | | |
| 7/9/2012 | 14:30 - 0:00 0:00 - 6:00 | 9.50 | DRLPRO | 02 | D | P | DRILL / SLIDE / SURVEY/ F/ 4,780-6,305 = 1,525' @ 152.5 FPH WOB 18,000-26,000 TOP DRIVE RPM 40-75 MUD MOTOR RPM 115 PUMPS 124 SPM= 558 GPM PUMP PRESSURE ON/OFF BTM 2,165/1,1,860 TORQUE ON/OFF BTM 10,000/ 6,000 PICK UP WT 170,000 SLACK OFF WT 125,000 ROT WT 147,000 SLIDE 100' IN 100' MIN 6.5 % OF FOOTAGE DRILLED, 16.6 %OF HRS DRILLED MAKE UP WATER 150 BBLS MUD WT 8.4 VIS 26, NOV-D WATER SWACO OFF LINE DRILL /SLIDE / SURVEY/ F/ 6,305-6,900 = 595' @ 99 FPH WOB 18,000-26,000 TOP DRIVE RPM 40-78 MUD MOTOR RPM 115 PUMPS 124 SPM= 558 GPM PUMP PRESSURE ON/OFF BTM 2,180/1,830 TORQUE ON/OFF BTM 11,000/ 7,000 PICK UP WT 183,000 SLACK OFF WT 138,000 ROT WT 156,000 SLIDE 66' IN 95 MIN 11 % OF FOOTAGE DRILLED, 26 %OF HRS DRILLED MUD WT 8.4 VIS 26 PUMPING 10 BBL SWEEPS EVERY STAND, W/ 10# BBL CALCIUM CARBONATE,, 120 BBLS MAKE UP WATER NOV-D WATER | | | |

10/30/2012 3:34:11PM

Operation Summary Report

| Well: MORGAN | STATE 921-36E1CS | YELLOW | | | | | Spud Date: 5/30 | 2012 | | |
|---------------------------|--|---------------|----------------------------|---|-------------|----------|-------------------|---|--|--|
| Project: UTAH- | UINTAH | | Site: MOI | RGAN ST | TATE 921 | -36E PAD | | Rig Name No: H&P 298/298, CAPSTAR 310/310 | | |
| Event: DRILLIN | G | | Start Date | e: 5/16/20 | 012 | | • | End Date: 7/11/2012 | | |
| Active Datum: F Level) | RKB @5,033.00usft (ab | ove Mean Se | ea | UWI: SW/NW/0/9/S/21/E/36/0/0/26/PM/N/1538/W/0/791/0/0 | | | | | | |
| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation | | |
| | Start-End 6:00 - 14:00 14:00 - 14:30 14:30 - 0:00 | 0.50 9.50 | DRLPRO DRLPRO DRLPRO | 07 07 02 | D A D | P P | (usft) | DRILL /SLIDE / SURVEY/ F/ 6,900-7,520 = 620' @77.5 FPH WOB 18,000-26,000 TOP DRIVE RPM 40-78 MUD MOTOR RPM 115 PUMPS 124 SPM= 558 GPM PUMP PRESSURE ON/OFF BTM 2,180/1,830 TORQUE ON/OFF BTM 11,000/ 7,000 PICK UP WT 183,000 SLACK OFF WT 138,000 ROT WT 156,000 SLIDE43' IN 85 MIN 6.8 % OF FOOTAGE DRILLED,18 %OF HRS DRILLED MUD WT 8.4 VIS 26 PUMPING 10 BBL SWEEPS EVERY STAND,W/ 10# BBL CALCIUM CARBONATE,, 120 BBLS MAKE UP WATER NOV-D WATER SWACO ON LINE@ 7,425 AS PER DENVER ANNULAR PRESSURE 160 ,EQUIVLANT 8.9 PPG MUD WT DAILY RIG SERVICE DRILL /SLIDE / SURVEY/ F/ 7,520-8,415 = 795' @ 83.6 FPH WOB 18,000-26,000 TOP DRIVE RPM 40-75 MUD MOTOR RPM 115 PUMPS 124 SPM= 558 GPM PUMP PRESSURE ON/OFF BTM 2,245 /2,010 TORQUE ON/OFF BTM 12,000/ 10,000 PICK UP WT 212,000 SLACK OFF WT 151,000 ROT WT 180,000 SLIDE 35' IN 75 MIN 4.4 % OF FOOTAGE DRILLED,13 | | |
| | | | | | | | | %OF HRS DRILLED MUD WT 8.5 VIS 26 PUMPING 10 BBL SWEEPS EVERY STAND,W/ 10# BBL CALCIUM CARBONATE,, 120 BBLS MAKE UP WATER NOV-D WATER SWACO ON LINE@ 7,425 AS PER DENVER ANNULAR PRESSURE 160 ,EQUIVLANT 8.9 PPG MUD WT | | |

10/30/2012 3:34:11PM

| | | | | | * #** | (A) 1 | KIES R Summa | EGION ary Report | | | | |
|---------------------------|---------|-------------------|--------------|------------|----------------------|------------------|-----------------|---------------------|---|--|--|--|
| Well: MORGAN | STATE 9 | 21-36E1CS | YELLOW | | | . V. 2 | 2. N | Spud Date: 5/30 | //2012 | | | |
| Project: UTAH-U | INTAH | | | Site: MOI | RGAN ST | ATE 921 | -36E PAI |) | Rig Name No: H&P 298/298, CAPSTAR 310/310 | | | |
| Event: DRILLING | 3 | | | Start Date | e: 5/16/20 |)12 | | | End Date: 7/11/2012 | | | |
| Active Datum: R Level) | KB @5,0 | 33.00usft (ab | ove Mean S | ea | UWI: S | W/ N W/0/ | 9/S/21/E/ | 36/0/0/26/PM/N/15 | 38/W/0/791/0/0 | | | |
| Date | | Time | Duration | Phase | Code Sub P/U MD From | | | | Operation | | | |
| 7/10/2012 | 6:00 | - 6:00 - 10:00 | 6.00 4.00 | DRLPRO | 02 | D D | P | (usft) | DRILL / SURVEY/ F/ 8,415-9,035= 620' @ 103 FPH WOB 20,000-27,000 TOP DRIVE RPM 40-76 MUD MOTOR RPM 115 PUMPS 124 SPM= 558 GPM PUMP PRESSURE ON/OFF BTM 2,180/1,830 TORQUE ON/OFF BTM 15,000/ 10,000 PICK UP WT 221,000 SLACK OFF WT 159,000 ROT WT 183,000 200 BBLS MAKE UP WATER SURVEY @ 8,885 INC 2.0 AZM 130 10' N - 9'E OF CENTER NOV-D WATER SWACO ON LINE 7,425 , @ 8,500 HOLDING ANNULAR PRESS @ 350-425 EQUIV TO 9.4 WITH ANNULAR PRESSURE @ 450-475 EQUIV MUD WT 9,5 LOSING 70 BBLS HR 5' FLARE DRILL / SURVEY/ F/ 9,035-9,269= 234' @ 103 FPH WOB 20,000-27,000 TOP DRIVE RPM 40-76 MUD MOTOR RPM 115 PUMPS 100 SPM= 450 GPM PUMP PRESSURE ON/OFF BTM 2,180/1,830 TORQUE ON/OFF BTM 15,000/ 10,000 PICK UP WT 221,000 SLACK OFF WT 159,000 ROT WT 183,000 75 BBLS MAKE UP WATER NOV-OFF LINE SWACO OFF LINE 9,250 DISPLACE HOLE W 10.7 MUD 10% LCM LOST RETURNS @ 9,269 PUMP SWEEPS LOST 175 | | | |
| | 10:00 | - 13:00 | 3.00 | DRLPRO | 06 | F | X | | BBLS WITH 0 TO 20% RETURNS BACK REAM OUT 2 STANDS, TO 9,080 TIGHT 8' OFF BTM 9,261,CIRC AND COND MUD, WITH FULL RETURNS.LOST 125 BBLS BUILD VOL PUMP SWEEPS,WASH BACK TO BTM 9,269' *** LOST CIRCULATION | | | |
| | 13:00 | - 19:30 | 6.50 | DRLPRO | 02 | D | P | | DRILL / SURVEY/ F/ 9,269-9,555 TD= 286' @ 44 FPH WOB 20,000-27,000 TOP DRIVE RPM 40-76 MUD MOTOR RPM 80 PUMPS 100 SPM= 383 GPM PUMP PRESSURE ON/OFF BTM 1,850/1,590 TORQUE ON/OFF BTM 8,000/ 6,000 PICK UP WT 221,000 SLACK OFF WT 159,000 ROT WT 183,000 MUD WT 11.1 VIS 36 LCM 15%,PUMPING 20%LCM SWEEPS DRILLING AT REDUCED PUMP RATE TO SLOW MUD LOSSES / SEEPAGE TO HOLE 425 BBLS NOV-OFF LINE SWACO OFF LINE 9,250 | | | |

10/30/2012 3:34:11PM

6

Operation Summary Report

Well: MORGAN STATE 921-36E1CS YELLOW

Spud Date: 5/30/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36E PAD

Rig Name No: H&P 298/298, CAPSTAR 310/310

Event: DRILLING

Start Date: 5/16/2012

End Date: 7/11/2012

Active Datum: RKB @5,033.00usft (above Mean Sea Level)

UWI: SW/NW/0/9/S/21/E/36/0/0/26/PM/N/1538/W/0/791/0/0

| Level) | 1-4 (20-20-2 | | S208330 F.H | n p ublika | 620. | | Sec | |
|--|--------------|-----------------|------------------|-------------------|------|-------------|-----|---|
| Date | | Time art-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From Operation (usft) |
| <u> Parting and Company (Company (Company</u> | | - 20:30 | 1.00 | DRLPRO | 05 | С | P | CCH FOR WPER TRIP / MUD WT 11.1 VIS 35 LCM 15% / 25 BBL MUD LOSS |
| | 20:30 | - 22:30 | 2.00 | DRLPRO | 06 | E | P | 13 STAND WIPER TRIP /,BACK REAM OUT 4 STANDS / PULL TO 8,320 TIGHT @9,269 8,885 8,805, TIH WASH 100' TO BTM 3' FILL 10 BBL MUD LOSS |
| | 22:30 | - 0:00 | 1.50 | DRLPRO | 05 | D | Р | CCH / FOR CASING MUD WT 11.1 VIS 39 LCM 15% MUD LOSS 8 BBLS / BTMS UP 5' FLARE |
| 7/11/2012 | 0:00 | - 5:00 | 5.00 | DRLPRO | 06 | Ď | P | SPOT 90 BBLS 12.0# MUD ON BTM / BACK REAM OUT 4 STANDS /TOH /NO PROBLEM / FLOW CHECK @ CSG SHOE / L/D DIR TOOLS /MUD MOTOR |
| | 5:00 | - 6:00 | 1.00 | DRLPRO | 14 | В | Р | PULL SMITH BEARING ASSEMBLY & WEAR BUSHING X/O BAILS RU FRANKS |
| | 6:00 | - 15:30 | 9.50 | DRLPRO | 12 | С | P | CTJSA RIG UP FRANKS CASING EQUIP,RUN 104 JTS I-80 11.6# LTC 4.5 CASING +1 CROSSOVER LTC/DQX 116 JTS I-80 11.6# DQX 4.5 CASING+RELATED TOOLS / BREAKING CIRCULATION @SELECTED INTERVALS / LANDING CASING MANDREL IN BOWL W/98,000, @ 9,525 FOR CIRC &CEMENTING / SHOE @9,525 / FC @ 9,474 / MV MKR @ 7,318 X/0 @ 5,002 RD SAME |
| | 15:30 | - 17:00 | 1.50 | DRLPRO | 05 | D | Р | FILL & CIRC CASING BTMS UP GAS MUD CUT 1/10 -15' FLARE /RD FRANKS / CT-JSA WITH BJ |
| | 17:00 | - 20:00 | 3.00 | DRLPRO | 12 | E | P | INSTALL BJ CMT HEAD, TEST PUMP & LINES TO 5,000 PSI, DROP BOTTOM PLUG PUMP 25 BBLS FW PUMP 470 SKS LEAD CEMENT @ 12.0 PPG,(192 BBLS) (PREM LITE II + .0.25 pps CELLO FLAKE + 10 pps KOL SEAL + .05 lb/sx STATIC FREE + 6% bwoc BENTONITE + .2% bwoc SODIUM META SILICATE + 0.2 % R-3 +0.4%bwoc FL-52 100.1% FRESH WATER / (12.48 gal/sx, 2.30 yield) + 1,120 SX TAIL @ 14.3 ppg (263.3 BBLS)+ (CLS G 50/50 POZ + 10% SALT + .005 llbs/sx STATIC FREE + .2% R3 + .002 GPS FP-6L + 2% BENTONITE +0.5%EC-1+ 58.9% FW / (5.94 gal/sx, 1.32 yield) WASH PUMP & LINES DROP TOP PLUG & DISPLACE W/ 147.2 BBLS H2O + ADDITIVES / PLUG DOWN @19:38 HOURS / FLOATS HELD W/ 1.5 BBLS H2O RETURNED TO INVENTORY/ LOST RETURNS @ 40 BBLS IN DISPLACEMENT / LIFT PRESSURE @ 1,993 PSI BUMP PRESSURE @2,416 / TOP OF TAIL CEMENT |
| | 20:00 | - 23:00 | 3.00 | DRLPRO | 14 | Α | P | CALCULATED @ 4,130' / RIG DOWN BJ FLUSH BOP'S / UNABLE TO SET PACK OFF IN MANDREL / RAISE BOP/PICK UP CASING SET MANUAL SLIPS W/ 110,000 CUT OFF CASING & LAY DOWN RUNNING TOOL |
| | 23:00 | - 0:00 | 1.00 | DRLPRO | 01 | É | Р | PREP FOR SKID / RELEASE RIG @ 24;:00 HRS 7/11/2012 TO MORGAN STATE 921-36E4BS |

10/30/2012 3:34:11PM

1 General

1.1 Customer Information

| Company | US ROCKIES REGION |
|----------------|-------------------|
| Representative | |
| Address | |

1.2 Well/Wellbore Information

| Well | MORGAN STATE 921-36E1CS YELLOW | Wellbore No. | OH |
|--------------|--|---------------|--|
| Well Name | MORGAN STATE 921-36E1CS | Wellbore Name | MORGAN STATE 921-36E1CS |
| Report No. | 1 | Report Date | 9/17/2012 |
| Project | UTAH-UINTAH | Site | MORGAN STATE 921-36E PAD |
| Rig Name/No. | MILES 2/2 | Event | COMPLETION |
| Start Date | 9/17/2012 | End Date | 10/10/2012 |
| Spud Date | 5/30/2012 | Active Datum | RKB @5,033.00usft (above Mean Sea Level) |
| UWI | SW/NW/0/9/S/21/E/36/0/0/26/PM/N/1538/W/0/791/0/0 | - Language | |

1.3 General

| Contractor | Job Method | | |
|---------------------|-----------------|----------------|--|
| Contractor | JOD WELIOU | Supervisor | |
| Perforated Assembly | Conveyed Method | | |

1.4 Initial Conditions

1.5 Summary

| Fluid Type | | Fluid Density | Gross Interval | 6,105.0 (usft)-9,238.0 (usft | Start Date/Time | 9/18/2012 | 12:00AM |
|-------------------|---------|--------------------|------------------|------------------------------|--------------------------|-----------|--------------|
| Surface Press | | Estimate Res Press | No. of Intervals | 66 | End Date/Time | 9/18/2012 | 12:00AM |
| TVD Fluid Top | | Fluid Head | Total Shots | 264 | Net Perforation Interval | | 86.00 (usft) |
| Hydrostatic Press | | Press Difference | Avg Shot Density | 3.07 (shot/ft) | Final Surface Pressure | | |
| Balance Cond | NEUTRAL | | | | Final Press Date | | |

2 Intervals

2.1 Perforated Interval

| Date Formation/ CCL@ CCL-T Reservoir (usft) S (usft) | MD Top (usft) | (usft) | | Misfires/ Diamete Carr Type /Stage No Add, Shot r | Carr Size (in) | Phasing Charge Desc /Charge (°) Manufacturer | Charge Reason Misrun Weight (gram) |
|--|------------------|---------|------|---|----------------------|---|--|
| 9/18/2012 WASATCH/ | 6,105.0 | 6,106.0 | 4.00 | 0.360 EXP/ | 3.375 | 5 90.00 | 23.00 PRODUCTIO |
| 12:00AM | 4 | | | | | to a parimeter of the second | N |

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diamete r (in) | Carr Type /Stage No | Carr Size (in) | Phasing (°) | Charge Desc /Charge Manufacturer | Charge Weight (gram) | Reason | Misrun |
|----------------------|-------------------------|---------------------------------------|--|------------------|-------------------|------------------------------|--|----------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|-------------|
| 9/18/2012 12:00AM | WASATCH/ | · · · · · · · · · · · · · · · · · · · | | 6,116.0 | 6,118.0 | | S. A LONG TO THE CO. LANSING TO SERVICE AND ADDRESS OF THE CO. | 0.360 | EXP/ | 3.375 | 90.00 | | | PRODUCTIO N | |
| | WASATCH/ | | | 6,132.0 | 6,134.0 | 4.00 | | 0.360 | EXP/ | 3.375 | 90.00 | | 23.00 | PRODUCTIO N | |
| — | WASATCH/ | | | 6,142.0 | 6,143.0 | 4.00 | | 0.360 | EXP/ | 3.375 | 90.00 | | 23.00 | PRODUCTIO N | - |
| | WASATCH/ | | : : | 6,414.0 | 6,415.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| | WASATCH/ | | r | 6,476.0 | 6,477.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | | | 6,494.0 | 6,495.0 | 3.00 | · | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 12777 | WASATCH/ | 1 | | 6,533.0 | 6,535.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | | | 6,580.0 | 6,581.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | | | 6,650.0 | 6,651.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | <u>.</u> - <u></u> | 23.00 | PRODUCTIO N | : |
| | WASATCH/ | | de e i i i i i i i i i i i i i i i i i i | 6,675.0 | 6,676.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | | | 6,722.0 | 6,723.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| | WASATCH/ | | | 6,749.0 | 6,750.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| | WASATCH/ | | : | 6,791.0 | 6,792.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | | | 6,810.0 | 6,811.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | : | : | 6,830.0 | 6,831.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | : |
| | WASATCH/ | | | 6,853.0 | 6,854.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | | | 6,940.0 | 6,941.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | <u> </u> | 23.00 | PRODUCTIO N | |
| | WASATCH/ | | | 6,956.0 | 6,957.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | -: | : | 7,061.0 | 7,062.0 | 3.00 | - | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | : |
| | WASATCH/ | | | 7,075.0 | 7,076.0 | 3.00 | AND THE PERSON NAMED IN | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | WASATCH/ | | | 7,122.0 | 7,124.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

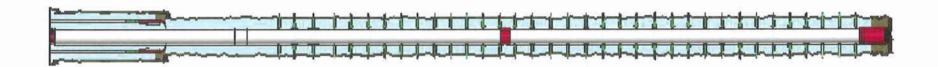
| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S | MD Top (usft) | MD Base (usft) | Shot Density | Misfires/ Add, Shot | Diamete | Carr Type /Stage No | Carr Size | Phasing | Charge Desc/Charge Manufacturer | Charge Weight | Reason | Misrun |
|----------------------|-------------------------|----------------|------------|---|-------------------|-----------------|------------------------|-----------|---------------------|--------------|---------|------------------------------------|------------------|----------------|-----------------|
| | Reservoir | (usπ) | ပusft) | (usit) | (usn) | (shot/ft) | Add. Shot | r (in) | | (in) | (*) | Manuacurer | (gram) | | |
| 9/18/2012 | WASATCH/ | | 3 | 7,138.0 | 7,139.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | 200 12 A A A A A A | 23.00 | PRODUCTIO | |
| 12:00AM | <u>:</u> | | | | | | | | | | | | | N | : |
| | WASATCH/ | | | 7,175.0 | 7,176.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | WASATCH/ | | | 7,197.0 | 7,198.0 | 3.00 | | 0.360 | EYDI | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | VVASA I CH/ | | | 7,187.0 | 7,190.0 | 3.00 | 1 | 0.560 | EAF/ | 3,313 | 120.00 | | 25.00 | N | |
| | WASATCH/ | | | 7,258.0 | 7,259.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | | | | | | | | | | | | | | N | · |
| | MESAVERDE/ | : : | | 7,387.0 | 7,389.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | | PRODUCTIO | |
| 12:00AM | - | | | | | | | | | | 400.00 | | | N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 7,441.0 | 7,442.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| - 17555 - 77 27 17 | MESAVERDE/ | | | 7,565.0 | 7,568.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | · · | | | .,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | 7,000.0 | | | 0.000 | | 1 | | | | N | |
| 9/18/2012 | MESAVERDE/ | | | 7,633.0 | 7,635.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | | | | | | | | | | | | | | N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 7,711.0 | 7,713.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 9/18/2012 12:00AM | MESAVERDE/ | : | | 7,770.0 | 7,773.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 9/18/2012 | MESAVERDE/ | | | 7,825.0 | 7,826.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | : |
| 12:00AM | <u> </u> | ! | | 1.2.2.2.3 | | | | | | | | | | N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 7,869.0 | 7,871.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | MESAVERDE/ | | | 7,961.0 | 7,962.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | | | | | | | | | | | | | | N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 7,971.0 | 7,972.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23,00 | PRODUCTIO | |
| | MESAVERDE/ | ::: | | 7,994.0 | 7,995.0 | 3.00 | | 0.360 | FXP/ | 3,375 | 120.00 | | 23.00 | PRODUCTIO | 1 1 1 1 1 1 1 1 |
| 12:00AM | INCO/WEIGH | | | 7,004.0 | 7,000.0 | 0.00 | | 0.000 | | 0.0.0 | | | | N | |
| 9/18/2012 | MESAVERDE/ | | | 8,037.0 | 8,038.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | | | | | | | | | | | | | | N | |
| | MESAVERDE/ | | | 8,045.0 | 8,046.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | MESAVERDE/ | | | 8,084.0 | 8,085.0 | 3.00 | | 0.360 | EYD! | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 12:00AM | WILOAVERDE/ | | | 0,004.0 | 0,000.0 | 3.00 | | 0.500 | L/N / | 3.373 | 120.00 | | | N | |
| | MESAVERDE/ | | | 8,124.0 | 8,125.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | | PRODUCTIO | |
| 12:00AM | | | | | | | | | | | ., | | | N | |
| | MESAVERDE/ | | | 8,177.0 | 8,178.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | | PRODUCTIO | |
| 12:00AM | : : | | | | | | | | | · <u>.</u> | | | | N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 8,311.0 | 8,312.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | | PRODUCTIO N | |

| Date | Formation/ | CCL | | MD Top | MD Base (usft) | Shot Density | Misfires/ Add. Shot | Diamete | Carr Type /Stage No | Carr Size | Phasing | Charge Desc /Charge Manufacturer | Charge Weight | Reason | Misrun |
|------------------------------|------------|----------------------------|----------------|---------|-------------------|-----------------|---|-----------|---------------------|--------------|---------|---|------------------|------------------|--------|
| | Reservoir | (usft | t) S (usft) | (usft) | (usπ) | (shot/ft) | Add. Shot | r (in) | | (in) | (°) | Manulacturer | (gram) | | |
| 9/18/2012 | MESAVERDE/ | <u>in Stalking ar na r</u> | 1 (4.5.1.) | 8,375.0 | 8,376.0 | 3.00 | <u> </u> | 0.360 | EXP/ | 3.375 | 120.00 | gent and a same and a | | PRODUCTIO | |
| 12:00AM | | | | | | | | | | : | | | | N | |
| | MESAVERDE/ | | | 8,389.0 | 8,390.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO | |
| 12:00AM | 1 | | ļ | | | | | | | | 400.00 | | | N | |
| 12:00AM | MESAVERDE/ | | 4 2 | 8,423.0 | 8,424.0 | 3.00 | .= | 0.360 | | 3.375 | 120.00 | | |) PRODUCTIO N | : |
| 9/18/2012 12:00AM | MESAVERDE/ | | • | 8,447.0 | 8,451.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 8,579.0 | 8,580.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 8,619.0 | 8,620.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| and the second of the second | MESAVERDE/ | | | 8,649.0 | 8,653.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| | MESAVERDE/ | } | - F | 8,729.0 | 8,731.0 | 3.00 | e programment e constitución de la constitución de | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| | MESAVERDE/ | | | 8,769.0 | 8,771.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| | MESAVERDE/ | | - | 8,817.0 | 8,818.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 8,844.0 | 8,845.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | NAS | 23.00 | PRODUCTIO N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 8,865.0 | 8,866.0 | 3.00 | : | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 8,924.0 | 8,925.0 | 3.00 | | 0.360 | EXP/ | 3,375 | 120.00 | | 23.0 | PRODUCTIO N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | 1 | 8,939.0 | 8,940.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| and the second second | MESAVERDE/ | | | 8,955.0 | 8,956.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| 1001 011 1110 | MESAVERDE/ | | | 8,997.0 | 8,998.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | : |
| | MESAVERDE/ | e e e | | 9,003.0 | 9,004.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| | MESAVERDE/ | | | 9,055.0 | 9,056.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| | MESAVERDE/ | : | | 9,064.0 | 9,065.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| | MESAVERDE/ | | | 9,073.0 | 9,074.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.0 | PRODUCTIO N | |
| | MESAVERDE/ | - | | 9,175.0 | 9,176.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diamete r (in) | Carr Type /Stage No | Carr Size (in) | Phasing (°) | Charge Desc /Charge Manufacturer | Charge Weight (gram) | Reason | Misrun |
|----------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|----------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 9/18/2012 12:00AM | MESAVERDE/ | | | 9,205.0 | 9,206.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 9/18/2012 12:00AM | MESAVERDE/ | | | 9,237.0 | 9,238.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

3 Plots

3.1 Wellbore Schematic



Operation Summary Report

Well: MORGAN STATE 921-36E1CS YELLOW

Spud Date: 5/30/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36E PAD

Rig Name No: MILES 2/2

PERF STG 1)PU 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH PERF AS PER PERF

DESIGN. POOH. SWIFW

Event: COMPLETION

Start Date: 9/17/2012

End Date: 10/10/2012

Active Datum: RKB @5,033.00usft (above Mean Sea

UWI: SW/NW/0/9/S/21/E/36/0/0/26/PM/N/1538/W/0/791/0/0

| ctive Datum: R evel) | | | | | | | | | |
|-------------------------|---|------------------|------------------|--|-----------------|-------------|---------|-------------------|--|
| Date | F 12 C 20 F 20 T | Time tart-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
| 5/30/2012 | 1 | - | Mary Francisco | in the second state of the second | I says a market | | Min. 22 | | |
| 9/17/2012 | 7:30 | - 8:00 | 0.50 | FRAC | 33 | D | P | | SURFACE CSG @ 2,627TOC 2,988 SURFACE CSG HAD 50 PSI ON WELL, RU HOT OILER FILLED SURFACE, WITH 5 BBBLS TMAC, PRESSURED TO 850 PSI WELL STARTED TAKING FLUID PUMPED 10 BBLS @ 1 1/2 TO 2 BPM @ 750 TO 800 PSI, ISIP 800, BLED WELL DOWN SWI |
| 9/18/2012 | | - 6:45 | 0.25 | SURFPR | 48 | | Р | | HELD SAFETY MEETING: HIGH PRESSURE |
| | 6:45 | - 8:15 | 1.50 | SURFPR | 33 | С | P | | FILL SURFACE CSG. MIRU B&C QUICK TEST. PSI TEST T/ 1000 PSI. HELD FOR 15 MIN LOST 7 PSI PSI TEST T/ 3500 PSI. HELD FOR 15 MIN LOST 38 PSI. 1ST PSI TEST T/ 7000 PSI. HELD FOR 30 MIN LOST 37 PSI. NO COMMUNICATION OR MIGRATION WITH SURFACE CSG |
| | 10:30 | - 12:30 | 2.00 | SURFPR | 51 | В | P | | RU SCHLUMBERGER CEMENTING CREW, PRESSUR TEST PUMP & LINES 2000 PSI, GOOD. ESTABLISH INJECTION RATE @ 2.5 BBL PM 700 PSI. PUMPED 10 BBLS FRESH H20, 10 BBLS SOO1, 10 BBLS, FRESH H20, 10 BBLS ZONE LOCK, 5 BBLS, FRESH H20, 377 SKS CLASS G CEMENT, (377) SKS, 12.5 PPG SLURY, (YIELD=1.93) WATER(=10.332 GAL/SK). DISPLACED WITH 2 BBLS FRESH H20 AVERAGE RATE 2.4 BPM, 525 PSI, SWI WITH 650 PSI ON SURFACE |
| 9/21/2012 | 7:00 | - 11:00 | 4.00 | FRAC | 37 | | P | | TOTAL FLUID PUMPED 168 BBLS RU WL, RAN CBL FROM 4100' TO SURFACE, CEMENT TOP SURFACE |

Operation Summary Report

| Well: MORGAN | STATE 921-36E1CS | YELLOW | | | | | Spud Date: 5/3 | 30/2012 |
|---------------------------|-----------------------|------------------|-----------|------------|------------------|-----------|-----------------|---|
| Project: UTAH-l | JINTAH | | Site: MO | RGAN ST | ATE 921 | 36E PAD | | Rig Name No: MILES 2/2 |
| Event: COMPLE | TION | | Start Dat | e: 9/17/20 | 12 | | | End Date: 10/10/2012 |
| Active Datum: R _evel) | RKB @5,033.00usft (ab | ove Mean Se | a | UWI: SV | V/NW/ 0/9 | /S/21/E/3 | 5/0/0/26/PM/N/1 | 538/N/0/791/0/0 |
| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
| 9/26/2012 | 7:00 - 18:00 | 11.00 | FRAC | 36 | В | P | (USII) | FRAC STG 1)WHP 1000 PSI, BRK 3354 PSI @ 4.7 BPM. ISIP 1643 PSI, FG .62. CALC PERFS OPEN @ 50.4 BPM @ 5494 PSI = 71% HOLES OPEN. (17/24 HOLES OPEN) ISIP 2869 PSI, FG .75, NPI 1226 PSI. MP 6054 PSI, MR 51.2 BPM, AP 5610 PSI, AR 50.5 BPM, PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. PERF STG 2)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 8986' P/U PERF AS PER DESIGN. POOH, XO T/ FRAC. FRAC STG 2)WHP 1210 PSI, BRK 2724 PSI @ 4.7 BPM. ISIP 1863 PSI, FG .65. CALC PERFS OPEN @ 50.5 BPM @ 5133 PSI = 19% HOLES OPEN. (19/24 HOLES OPEN) ISIP 2301 PSI, FG .70, NPI 438 PSI. MP 6091 PSI, MR 51.6 BPM, AP 5006 PSI, AR 50.7 BPM, PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. PERF STG 3)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 8751' P/U PERF AS PER DESIGN. POOH, XO T/ FRAC. FRAC STG 3)WHP 475 PSI, BRK 2090 PSI @ 4.9 BPM. ISIP 1480 PSI, FG .61. CALC PERFS OPEN @ 52.9 BPM @ 4460 PSI = 93% HOLES OPEN. (23/24 HOLES OPEN) ISIP 2000 PSI, FG .67, NPI 520 PSI. MP 6260 PSI, MR 55.4 BPM, AP 4918 PSI, AR 54.6 BPM, PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. PERF STG 4)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 8481' P/U PERF AS PER DESIGN. POOH, XO T/ FRAC. |

| Well: MORGAN | STATE 921- | 36E1CS | YELLOW | | | | | Spud Date: 5/30/2012 |
|-----------------|-------------|------------|---|-----------|------------|---------|------------|--|
| Project: UTAH-L | JINTAH | | *************************************** | Site: MO | RGAN ST | ATE 921 | -36E PAD | Rig Name No: MILES 2/2 |
| Event: COMPLE | TION | | | Start Dat | e: 9/17/20 | 12 | | End Date: 10/10/2012 |
| Active Datum: R | KB @5,033.0 | 00usft (ab | ove Mean Se | | T | | 9/S/21/E/3 | 6/0/0/26/PM/N/1538/W/0/791/0/0 |
| Level) Date | Time | e | Duration | Phase | Code | Sub | P/Ú | MD From Operation |
| | Start-E | | (hr) | | | Code | | (usft) |
| 9/27/2012 | 7:00 | 18:00 | 11.00 | FRAC | 36 | В | P | FRAC STG 4)WHP 1345 PSI, BRK 2420 PSI @ 4.7 BPM. ISIP 1830 PSI, FG .66. |
| | | | | | | | | CALC PERFS OPEN @ 51 BPM @ 4719 PSI = 92% |
| | | | | | | | | HOLES OPEN. (22/24 HOLES OPEN) |
| | | | | | | | | ISIP 2633 PSI, FG .75, NPI 803 PSI. |
| | | | | | | | | MP 6288 PSI, MR 53.3 BPM, AP 4520 PSI, AR 52.8 |
| | | | | | | | | BPM, |
| | | | | | | | | PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. |
| | | | | | | | | PERF STG 5)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, |
| | | | | | | | | 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET |
| | | | | | | | | CBP @ 8208' P/U PERF AS PER DESIGN, POOH, XO |
| | | | | | | | | T/ FRAC. |
| | | | | | | | | FRAC STG 5)WHP 845 PSI, BRK 2098 PSI @ 5.0 |
| | | | | | | | | BPM. ISIP 1736 PSI, FG .65. |
| | | | | | | | | CALC PERFS OPEN @ 54.6 BPM @ 5455 PSI = 79% |
| | | | | | | | | HOLES OPEN. (19/24 HOLES OPEN) |
| | | | | | | | | ISIP 2790 PSI, FG .78, NPI 1054 PSI. |
| | | | | | | | | MP 5997 PSI, MR 55.3 BPM, AP 5336 PSI, AR 54.8 |
| | | | | | | | | BPM, |
| | | | | | | | | PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. |
| | | | | | | | | PERF STG 6)PU 4 1/2 8K HAL CBP 7 3 1/8 EXP GUN, |
| | | | | | | | | 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET |
| | | | | | | | | CBP @ 7901' P/U PERF AS PER DESIGN. POOH, XO |
| | | | | | | | | T/ FRAC. |
| | | | | | | | | FRAC STG 6)WHP 1232 PSI, BRK 1789 PSI @ 4.7 |
| | | | | | | | | BPM. ISIP 1343 PSI, FG .61. |
| | | | | | | | | CALC PERFS OPEN @ 54.7 BPM @ 4459 PSI = 92% |
| | | | | | | | | HOLES OPEN. (22/24 HOLES OPEN) |
| | | | | | | | | ISIP 2499 PSI, FG .76, NPI 1156 PSI. |
| | | | | | | | | MP 5547 PSI, MR 55.3 BPM, AP 4892 PSI, AR 54.8 BPM, |
| | | | | | | | | PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. |
| | | | | | | | | |
| | | | | | | | | PERF STG 7)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, |
| | | | | | | | | 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 7665' P/U PERF AS PER DESIGN. POOH, XO |
| | | | | | | | | T/ FRAC. |
| | | | | | | | | EDAO OTO TIMAID SOA DOL DOLASO DOLO |
| | | | | | | | | FRAC STG 7)WHP 231 PSI, BRK 1823 PSI @ 4.8 |
| | | | | | | | | BPM. ISIP 1200 PSI, FG .60. CALC PERFS OPEN @ 54.9 BPM @ 4400 PSI = 88% |
| | | | | | | | | HOLES OPEN. (21/24 HOLES OPEN) |
| | | | | | | | | ISIP 2276 PSI, FG .74, NPI 1076 PSI. |
| | | | | | | | | MP 5442 PSI, MR 55.3 BPM, AP 4700 PSI, AR 54.7 |
| | | | | | | | | BPM, PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. |
| | | | | | | | | DEDE CTO SOULA 4/2 OVULAL ODD S 2.4/2 EVD OUT |
| | | | | | | | | PERF STG 8)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, |
| | | | | | | | | 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 7289' P/U PERF AS PER DESIGN. POOH, XO |
| | | | | | | | | T/ FRAC. |
| 9/28/2012 | 6:03 - | 7:00 | 0.95 | FRAC | 48 | | Р | HSM, HIGH PSI LINE. |

| Veil: MORGAN STATE 921-36E1CS YELLOW | | | | Spud Date: 5/3 | 30/2012 |
|---|---------------|--|------------------|-------------------------------|---|
| Project: UTAH-UINTAH | Site: MO | RGAN STATE 921 | -36E PAD | | Rig Name No: MILES 2/2 |
| vent: COMPLETION | Start Dat | e: 9/17/2012 | | | End Date: 10/10/2012 |
| ctive Datum: RKB @5,033.00usft (above Mean s | Sea | UWI: SW/NW/0/ | 9/S/21/E/3 | 5/0/0/26/PM/N/1 | 538/W/0/791/0/0 |
| evel) | | 1 - 2/0 / W/ - 1/1 - 2/0 / W/ - 1/0 / | 34-320-338-1-1-0 | on the service of the service | |
| Date Time Duration (hr) Start-End (hr) 7:00 - 18:00 11.00 | Phase FRAC | Code Sub Code 36 B | P/U P | MD From (usft) | Operation FRAC STG 8)WHP 360 PSI, BRK 2249 PSI @ 4.7 |
| | | | | | BPM. ISIP 1159 PSI, FG .60. CALC PERFS OPEN @ 50.7 BPM @ 3726 PSI ≈ 92% HOLES OPEN. (22/24 HOLES OPEN) |
| | | | | | ISIP 2327 PSI, FG .76, NPI 1168 PSI. MP 5616 PSI, MR 55.2 BPM, AP 4553 PSI, AR 54.4 |
| | | | | | BPM, PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. |
| | | | | | PERF STG 9)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, |
| | | | | | 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 6987' P/U PERF AS PER DESIGN. POOH, XO T/ FRAC. |
| | | | | | FRAC STG 9)WHP 520 PSI, BRK 1992 PSI @ 4.9 BPM, ISIP 1652 PSI, FG .68. |
| | | | | | CALC PERFS OPEN @ 54.5 BPM @ 4283 PSI = 100% HOLES OPEN. (24/24 HOLES OPEN) ISIP 2036 PSI, FG .74, NPI 384 PSI. |
| | | | | | MP 5068 PSI, MR 55.2 BPM, AP 4402 PSI, AR 54.6 BPM, |
| | | | | | PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. |
| | | | | | PERF STG 10)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 6710' P/U PERF AS PER DESIGN. POOH, XO T/FRAC. |
| | | | | | FRAC STG 10)WHP 1295 PSI, BRK 1988 PSI @ 4.7 BPM. ISIP 1509 PSI, FG .67. CALC PERFS OPEN @ 50.2 BPM @ 3517 PSI = 100% HOLES OPEN. (24/24 HOLES OPEN) |
| | | | | | ISIP 2036 PSI, FG .75, NPI 527 PSI. MP 4627 PSI, MR 51. BPM, AP 3647 PSI, AR 50.6 BPM, |
| | | | | | PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. |
| | | | | | PERF STG 11)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH SET CBP @ 6180' P/U PERF AS PER DESIGN. POOH, XO T/ FRAC. |
| | | | | | FRAC STG 11)WHP 745 PSI, BRK 1140 PSI @ 4.7 BPM. ISIP 955 PSI, FG .59. |
| | | | | | CALC PERFS OPEN @ 50.7 BPM @ 3000 PSI = 100% HOLES OPEN. (24/24 HOLES OPEN) ISIP 1481 PSI, FG .68, NPI 526 PSI. |
| | | | | | MP 4081 PSI, MR 51.4 BPM, AP 3127 PSI, AR 50.8 BPM, PUMPED 30/50 OWATTA SAND. SWI, XO T/ WL. |
| | | | | | PU 4 1/2 8K HAL CBP. RIH SET KILL PLUG @ 6055'. POOH. DONE FRACING THIS WELL. |
| | | | | | TOTAL SAND = 285,020 LBS TOTAL CLFL = 12,556 BBL |

Operation Summary Report

| Well: MORGAN STATE 921-36E1CS YELLOW | | Spud Date: 5/30/2 | 012 |
|--------------------------------------|--------------------------|-------------------|------------------------|
| Project: UTAH-UINTAH | Site: MORGAN STATE 921-3 | 6E PAD | Rig Name No: MILES 2/2 |
| Event: COMPLETION | Start Date: 0/17/2012 | | End Date: 10/10/2012 |

| tive Datum: R vel) | .ND (20,0 | oo.oousit (al | ove Mean o | ca | | | 0,0,2,1,20 | 5/ 5/ 5/ <u>2</u> 5/ 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 538/W/0/791/0/0 |
|-----------------------|------------------|-------------------|------------------|----------|----------|-------------|------------|--|---|
| Date | of the Table Co. | Time art-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
| 9/29/2012 | <u> </u> | - | | <u> </u> | <u> </u> | | . S. Y | | en kontrologische Alex, von der die Longisch inde die von die den eine webene die der de Longisch von der die d Der kontrologische Alex, von der die Longisch inde die von die der der de von der de Longisch von der der der |
| 10/9/2012 | 7:00 | - 7:30 | 0.50 | DRLOUT | 48 | | P | | MILLING PLUGS |
| 10/10/2012 | | - 15:00 - 7:30 | 7.50 | DRLOUT | 44 48 | С | P P | | MIRU, NDWH, NU BOP'S, TIH 191 JTS, 6055', TAG KILL PLUG, BREAK CIRC, PRESSURE TEST BOP'S, 3000#, PU PWR SWIVEL, READY TO MILL CBP'S IN AM, SWIFN WELL CONTROL |
| 10/10/2012 | 7:30 | | | 1 | | • | | | |
| | 7.30 | - 17:00 | 9.50 | DRLOUT | 44 | С | P | | TIH 191 JTS, 6055', TAG PLUG# 1, MILL 11 PLUGS, PLUG# 1 6055' 10' SAND 5 MIN 00# KICK PLUG# 2 6180' 20' SAND 5 MIN 100# KICK PLUG# 3 6710' 30' SAND 5 MIN 200# KICK PLUG# 4 6987' 30' SAND 5 MIN 0# KICK PLUG# 5 7289' 30' SAND 5 MIN 200# KICK PLUG# 6 7665' 30' SAND 5 MIN 300# KICK PLUG# 7 7901' 30' SAND 5 MIN 400# KICK PLUG# 8 8208' 30' SAND 5 MIN 300# KICK PLUG# 8 8481' 30' SAND 5 MIN 400# KICK PLUG# 9 8481' 30' SAND 5 MIN 700# KICK PLUG# 10 8751' 120' SAND 5 MIN 700# KICK PLUG# 11 8986' 30' SAND 5 MIN 600# KICK PLUG# 11 8986' 30' SAND 5 MIN 600# KICK |
| | | | | | | | | | C/O 45! CAND TO 6400! COO ITC LD CO ITC TO |
| | | | | | | | | | C/O 15' SAND TO 9480', 298 JTS, LD 23 JTS TO 8760.96', 275 JTS, LAND TBG, ND BOP'S, NUWH, |
| | | | | | | | | | POBS, 2200#, TEST FLOW LINE TO 3000#, TURN TO |
| | | | | | | | | | TBG 275 JTS 8731.93' |
| | | | | | | | | | KB 26.00' |
| | | | | | | | | | HANGER .83' |
| | | | | | | | | | XNSN 1.875" 2.20' |
| | | | | | | | | | EOT 8760.96' |
| | | | | | | | | | FRAC WTR 12,556 BBLS |
| | | | | | | | | | RCVD 2,500 BBLS LTR 10,056 BBLS |
| | 17:00 | - 17:00 | 0.00 | DRLOUT | 50 | | | | |
| | 17.00 | 17.00 | 0.00 | DICOUT | 50 | | | | WELL TURNED TO SALES @ 1400 HR ON 10/10/2012, 1700 MCFD, 1920 BWPD, FCP 1780#, FTP 1800#, 20/64" CK. |

FORMATION TOP DETAILS Project: UTAH - UTM (feet), NAD27, Zone 12N Site: UINTAH_MORGAN STATE 921-36E PAD **MDPath** Formation Well: MORGAN STATE 921-36E1CS 4623.00 4648.07 5248.08 WASATCH Wellbore: MORGAN STATE 921-36E1CS 5223.00 TOP OF CYLILNDER Section: 7324.00 7349.12 MESAVERDE 9518.00 9543.16 SEGO SHL: Design: MORGAN STATE 921-36E1CS (wp01) Latitude: 39.995557 Longitude: -109.505969 KB: 26' RKB + 5007' GL @ 5033.00ft (H&P 298) Azimuths to True North Magnetic North: 10,95 CASING DETAILS WELL DETAILS: MORGAN STATE 921-36E1CS Magnetic Field Strength: 52224.6snT TVD MD Size Name Ground Level: 5007.00 Dip Angle: 65.84° Date: 6/20/2012 Model: IGRF2010 2606.32 8-5/8 2627.00 Northing Latittude Longitude 0.00 0.00 14527933.51 2058867 92 39 995557 -109.505969 **DESIGN TARGET DETAILS** Northing TVD +N/-S +E/-W **Easting** Latitude Longitude Shape -381.47 -385.22 DRILLER'S TARGET (MORGAN STATE 921-36E1CS)3585.94 14527552.29 2058886.21 11,90 39.994510 -109.505927 Circle (Radius: 15.00) INTERCEPT (MORGAN STATE 921-36E1CS) 5223.00 14.74 14527548.59 2058889.11 39.994499 -109.505916 **Point** 39.994442 MORGAN STATE 921-36E1CS (25' RADIUS) 9518.00 -406.09 30.53 14527527.98 2058905.26 -109.505860 Circle (Radius: 25.00) SECTION DETAILS MD Inc Azi **TVD** +N/-S +E/-W Dleg **TFace VSect** 2596.00 8.00 178.86 2575.62 -295.95 7.60 0.00 0.00 295.68 0.00 2811.00 8.00 178.86 2788.53 -325.86 8.20 0.00 325.56 0.00 3611.00 170.86 3585.94 -381.47 11.90 1.00 -176.01 381.29 4236.00 0.00 170.86 4210.94 -381.47 11.90 0.00 170.86 381.29 4348.32 0.34 142.88 4323.25 -381.73 12.10 0.30 142.88 381.56 9543.16 0.34 142.88 9518.00 -406.09 30.53 0.00 0.00 407.24 1000 -80 1000 8-5/8 2000 -120 3000 (File) DRILLER S TARGET (MORGAN STATE 921-36E1CS) 4000 (2000 # 2000 Vertical Depth WASATCH 5000 8-5/8 TOP OF CYLILNDER True INTERCEPT (MORGAN STATE 921-36E1CS) 6000 DRILLER'S TARGET (MORGAN STATE 921-36E1CS) 7000 -320 MORGAN STATE 921-36E1CS (25' RADIUS) 3000 MESAVERDE 8000 INTERCEPT (MORGAN STATE 921-36E CS) MORGAN STATE 921-36E1CS MORGAN STATE 921-36E1CS (wp01) AN STATE 921-36E1CS -400 9000 SEGO 10000 MORGAN STATE 921-36E1CS (25' RADIUS) -120 -80 -40 40 80 120 160 West(-)/East(+) (80 ft/in)

-2000

-1000

ö

Vertical Section at 175,70° (2000 ft/in)

1000

2000

3000

US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N UINTAH_MORGAN STATE 921-36E PAD MORGAN STATE 921-36E1CS

MORGAN STATE 921-36E1CS

Design: MORGAN STATE 921-36E1CS

Standard Survey Report

26 July, 2012

Survey Report

North Reference:

Company: US ROCKIES REGION PLANNING Project UTAH - UTM (feet), NAD27, Zone 12N **UINTAH MORGAN STATE 921-36E PAD** Site: MORGAN STATE 921-36E1CS Well:

MORGAN STATE 921-36E1CS Wellbore: MORGAN STATE 921-36E1CS Design:

Local Co-ordinate Reference: TVD Reference: MD Reference:

Well MORGAN STATE 921-36E1CS 26' RKB + 5007' GL @ 5033,00ft (H&P 298) 26' RKB + 5007' GL @ 5033,00ft (H&P 298)

True

Survey Calculation Method: Minimum Curvature

edmp Database:

UTAH - UTM (feet), NAD27, Zone 12N Project

Map System: Geo Datum:

Map Zone:

Site

Universal Transverse Mercator (US Survey Feet)

NAD 1927 (NADCON CONUS)

Zone 12N (114 W to 108 W)

Mean Sea Level System Datum:

UINTAH_MORGAN STATE 921-36E PAD

Site Position: Lat/Long From:

Northing: Easting:

14.527.931.66 usft 2.058.887.84 usft Latitude: Longitude:

39.995551 -109.505898

Position Uncertainty:

0.00 ft

Slot Radius:

13-3/16 '

Grid Convergence:

0.96

Well MORGAN STATE 921-36E1CS **Well Position** +N/-S 0.00 ft

+E/-W

Northing: 0.00 ft Easting:

14,527,933.51 usft

Latitude:

39.995557

Position Uncertainty

0.00 ft

Wellhead Elevation:

2,058,867.91 usft

Longitude: **Ground Level:**

-109,505969 5.007.00 ft

MORGAN STATE 921-36E1CS Wellbore Magnetics **Model Name** Declination Field Strength amnie Date Dip Angle (nT) (°) (°) IGRF2010 6/20/2012 10.95 65.84 52,225

Design MORGAN STATE 921-36E1CS

Audit Notes:

Version: 1.0

2,653.00

Phase:

ACTUAL

Tie On Depth:

17.00

171.93

+E/-W Vertical Section: Depth From (IVD) +N/-S Direction (°)

17,00 0,00 0.00

Survey Program Date 7/26/2012

From To **(ft)** (ft) Survey (Wellbore) 246.00

2,596.00 Survey #1 (MORGAN STATE 921-36E1CS

9,555.00 Survey #2 (MORGAN STATE 921-36E1CS

Tool Name MWD

MWD

Description

MWD - STANDARD MWD - STANDARD

| Survey | | er toek er mend til til det til | North Vertex (Co.) | | SEPTERS OF THE PROPERTY | | redenis on the British State (Co. | | |
|--|------------|---------------------------------|--------------------|--------|-------------------------|----------|-----------------------------------|-------------|-------------|
| Measured | | | | | | Vertical | | Build | Tum |
| Company of the Compan | nclination | Azimuth | Verticei Depth | +N/-S | +E/-W | Section | Dogleg Rate | Rate | Rate |
| (ft) | (") | e l | (0) | (ft) | (ft) | (ft) | (%100usft) | (°/100usft) | (°/100usft) |
| 17.00 | 0.00 | 0.00 | 17.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 246.00 | 0.18 | 13.59 | 246,00 | 0.35 | 0.08 | -0.33 | 80.0 | 80.0 | 0.00 |
| 337.00 | 1.41 | 195.87 | 336.99 | -0.59 | -0.19 | 0.56 | 1.75 | 1.35 | -195.30 |
| 428.00 | 3.17 | 194.91 | 427.92 | -4.10 | -1.14 | 3.90 | 1.93 | 1.93 | -1.05 |
| 523.00 | 4.57 | 180.14 | 522.70 | -10.42 | -1.83 | 10.06 | 1.80 | 1.47 | -15.55 |
| 618.00 | 6.42 | 171.35 | 617.26 | -19.46 | -1.04 | 19.12 | 2.13 | 1.95 | -9.25 |
| 713.00 | 7.21 | 171.35 | 711.59 | -30,60 | 0.66 | 30.39 | 0.83 | 0.83 | 0.00 |
| 809.00 | 7.03 | 180.75 | 806.85 | -42.43 | 1.49 | 42.22 | 1.23 | -0.19 | 9.79 |
| 903.00 | 8.35 | 185.24 | 900.00 | -54.98 | 0.79 | 54.55 | 1.54 | 1.40 | 4.78 |
| 997,00 | 9.06 | 180.40 | 992.92 | -69.18 | 0.11 | 68,51 | 1.08 | 0,76 | -5.15 |

Survey Report

Company: **Project:** Site:

Well:

US ROCKIES REGION PLANNING UTAH - UTM (feet), NAD27, Zone 12N UINTAH_MORGAN STATE 921-36E PAD

MORGAN STATE 921-36E1CS Wellbore: MORGAN STATE 921-36E1CS MORGAN STATE 921-36E1CS Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Database:

Well MORGAN STATE 921-36E1CS

26' RKB + 5007' GL @ 5033.00ft (H&P 298) 26' RKB + 5007' GL @ 5033,00ft (H&P 298)

Minimum Curvature

edmp

| | surproperties and objects and one | a desperato de proposición de la companyo de la co | egyet elet, elektronye egybetete elet | CHUNGSVACIAN | ZOWAZENIA WEZ | SOSSISSISSISSISSISSI | r redrikasionalista parasionalista eta e | er evelete et avante eget te enemente. | Grant Arm, in estato del finte Grantino Comercia. |
|---|-----------------------------------|--|---------------------------------------|--|-----------------------------|-------------------------------------|--|--|---|
| Survey | | aranti, a sparia salah belari salah pe | eran permitira dan meranda | edetect verst vitableten, aant in jare | CONTRACTOR OF SURE LANGE OF | CONTRACTOR PROVINCES AND A CONTRACT | ASSESSED AND ASSESSED AND ASSESSED | PHOTOGRAPH CHEET & CONTROLS | ONBOSO O PREBINGENSO PER ESTRES O PORS |
| | | | 1 | | | No. | 100000 | | |
| Measured | | | Vertical | | | Vertical | Dogleg | Build | Turn |
| Depth | inclination | Azimuth | Depth | +N/-S | +E/AV | Section | Rate | Rate | Rate |
| (0) | (°) | (°) | (ft) | (ft) | (ft) | (ft) | (°/100usft) | (°/100usft) | (°/100usft) |
| . S . 3.8. 1.1. 1.1. 1.1. 1.1. 1.1. 1.1. 1.1 | San Artistan | | To the second second | | | | Alvertage State | | Paragal Law 1 |
| 1,090.00 | 8.79 | 174.60 | 1,084.80 | -83.58 | 0.73 | 82.85 | 1.01 | -0.29 | -6.24 |
| 1,185.00 | 8.97 | 171.53 | 1,178.66 | -98.13 | 2.50 | 97.51 | 0.53 | 0.19 | -3.23 |
| 1,185.00 | 8.09 | 171.33 | 1,178.60 | -96.13 -112.07 | 2.50 4.55 | 111.60 | 0.93 | -0.93 | -3.23 0.27 |
| • | | 171.79 | : * | | | | | | |
| 1,373.00 | 7.56 | | 1,364.74 | -124.65 | 5.94 | 124.25 | 0.81 | -0.57 | 4.26 |
| 1,467.00 | 6.86 | 177.33 | 1,458.00 | -136.42 | 6.66 | 136.01 | 0.77 | -0.74 | 1.68 |
| 1.564.00 | 7.56 | 182.16 | 1,554.23 | -148.59 | 6.69 | 148.05 | 0.95 | 0.72 | 4.98 |
| 1,657.00 | 8.20 | 182.84 | 1,646.35 | -161.32 | 6.13 | 160.59 | 0.70 | 0.69 | 0.73 |
| 1,753.00 | 8.09 | 179.35 | 1,741.39 | -174.92 | 5.86 | 174.01 | 0.53 | -0.11 | -3.64 |
| 1,856.00 | 8.62 | 178.12 | 1,843,29 | -174.92 | 6.20 | 188.87 | 0.53 | 0.11 | -1.19 |
| • | | i | , | | | | | | |
| 1,940.00 | 8.44 | 176.27 | 1,926.36 | -202.32 | 6.81 | 201.27 | 0.39 | -0.21 | -2.20 |
| 2,034.00 | 8.09 | 176.89 | 2,019.39 | -215.81 | 7.61 | 214.74 | 0.38 | -0.37 | 0.66 |
| 2,126.00 | 8.00 | 179.08 | 2,110.48 | -228.67 | 8.07 | 227.54 | 0.35 | -0.10 | 2.38 |
| 2,218.00 | 8.71 | 184.45 | 2,201.51 | -242.02 | 7.63 | 240.69 | 1.15 | 0.77 | 5.84 |
| 2,309.00 | 8.62 | 183.30 | 2,291.47 | -255.70 | 6,70 | 254.11 | 0.21 | -0.10 | -1.26 |
| 2,404.00 | 8.00 | 179.44 | 2,385.47 | -269.42 | 6,36 | 267.64 | 0.88 | -0.10 | -4.06 |
| 2,404.00 | 0.00 | 170.44 | 2,000.47 | -203.42 | 0.50 | 207.04 | 0.00 | -0.05 | 4.00 |
| 2.495.00 | 7.91 | 175.48 | 2,475.59 | -281.99 | 6.91 | 280.17 | 0.61 | -0,10 | -4.35 |
| 2,596,00 | 8.00 | 178,86 | 2,575,62 | -295,95 | 7.60 | 294.08 | 0.47 | 0.09 | 3,35 |
| TIE ON | 0.00 | 1,0.50 | 2,070.02 | 200,00 | 7,00 | 2000 | 0.1. | 0.00 | 0.00 |
| 2,653.00 | 7.75 | 176.75 | 2,632.09 | -303.75 | 7.90 | 301.85 | 0.67 | -0,44 | -3.70 |
| • | | 170.73 | 2,032.09 | -303.73 | 7.50 | 301.03 | 0.07 | -0,4-1 | -3.70 |
| FIRST MWD | | 173.60 | 0.705.00 | -316.02 | 8.92 | 314,14 | 0.64 | 0.47 | -3,35 |
| 2,747.00 | 7.31 | | 2,725.28 | | | | | -0.47 | |
| 2,842.00 | 6.60 | 169.80 | 2,819.58 | -327.40 | 10.56 | 325.64 | 0.89 | -0.75 | -4.00 |
| 2,936.00 | 5.06 | 173.73 | 2,913.09 | -336.84 | 11.97 | 335,18 | 1.69 | -1.64 | 4.18 |
| 3,031.00 | 4.44 | 179.61 | 3,007.76 | -344.68 | 12.46 | 343.01 | 0.83 | -0.65 | 6.19 |
| 3,125.00 | 4.25 | 177.98 | 3,101.49 | -351.80 | 12.40 | 350.08 | 0.24 | -0.20 | -1.73 |
| 3,220.00 | 3.44 | 180.85 | 3,196.28 | -358.17 | 12.69 | 356,40 | 0.88 | -0.85 | 3.02 |
| 3,314.00 | 2.38 | 174.36 | 3,290.15 | -362.93 | 12.89 | 361.13 | 1.18 | -1.13 | -6.90 |
| 3,314.00 | 2.36 | 174.30 | 3,290.13 | -302.93 | 12.04 | 301.13 | 1.10 | -1.13 | -0.90 |
| 3,408.00 | 1.63 | 185.36 | 3,384,10 | -366,20 | 12.90 | 364.38 | 0.89 | -0.80 | 11.70 |
| 3,502.00 | 0.81 | 229.48 | 3,478.08 | -367.96 | 12.27 | 366.04 | 1.27 | -0.87 | 46.94 |
| 3,597.00 | 0.94 | 203.73 | 3,573.07 | -369,11 | 11,45 | 367.06 | 0.43 | 0.14 | -27.11 |
| 3,691.00 | 1.19 | 189.11 | 3,667.05 | -370.78 | 10.98 | 368.65 | 0.39 | 0.27 | -15.55 |
| 3,786.00 | 1.31 | 188.11 | 3,762,03 | -372.83 | 10.67 | 370.64 | 0.13 | 0.13 | -1,05 |
| 5,, 55.66 | .,51 | | -, | | | | 2.,0 | | |
| 3,880.00 | 0.56 | 218.48 | 3,856.01 | -374.26 | 10.24 | 371.99 | 0.93 | -0.80 | 32,31 |
| 3,974.00 | 0.81 | 235.36 | 3,950.01 | -374.99 | 9.40 | 372.60 | 0.34 | 0.27 | 17.96 |
| 4,069.00 | 1.19 | 204.23 | 4,044.99 | -376.27 | 8.45 | 373.73 | 0.68 | 0.40 | -32.77 |
| 4,163.00 | 1.00 | 167.23 | 4,138.98 | -377.96 | 8.23 | 375.38 | 0.76 | -0.20 | -39.36 |
| 4,258.00 | 1.13 | 156.98 | 4,233.96 | -379.63 | 8.78 | 377.11 | 0.24 | 0.14 | -10.79 |
| -, | | | , | | | | | | |
| 4,352.00 | 1.19 | 155.36 | 4,327.94 | -381.37 | 9.55 | 378.94 | 0.07 | 0.06 | -1.72 |
| 4,447.00 | 1.44 | 165.23 | 4,422.92 | -383.43 | 10.26 | 381.07 | 0.35 | 0.26 | 10.39 |
| 4,541.00 | 1,56 | 170,61 | 4,516.88 | -385,83 | 10,77 | 383.52 | 0.20 | 0.13 | 5.72 |
| 4,635.00 | 1.56 | 174.11 | 4,610.85 | -388.37 | 11.11 | 386.08 | 0.10 | 0.00 | 3.72 |
| 4,730.00 | 1.69 | 172.23 | 4,705.81 | -391.04 | 11,43 | 388.77 | 0.15 | 0.14 | -1.98 |
| ., | | | | | | | | | |
| 4,824.00 | 0.88 | 153.11 | 4,799.79 | -393.06 | 11.95 | 390.84 | 0.96 | -0.86 | -20.34 |

Survey Report

Company: Project:

Site:

Well:

US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N UINTAH MORGAN STATE 921-36E PAD

MORGAN STATE 921-36E1CS MORGAN STATE 921-36E1CS

Wellbore:

MORGAN STATE 921-36E1CS Design:

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Database:

Well MORGAN STATE 921-36E1CS

26' RKB + 5007' GL @ 5033,00ft (H&P 298)

26' RKB + 5007' GL @ 5033.00ft (H&P 298)

True

Minimum Curvature

edmp

| | rateuriat and narrant a praesi a narranga and s CONTRACTOR CONTRACTOR SERVICES | or to the contract of the cont | A CONTRACTOR OF THE CONTRACTOR | | | Na a canada a cara a | eriwa ana ana ana diserenci | ook turken sammertan, nys eyste | and the second of the second |
|---|---|--|--------------------------------|---------------|--------------|---|-----------------------------|--|--|
| Survey | | | | | | | | en e | energe versiere et de le deutsche versiere et de |
| | | | 1. | | | | | | |
| Measured | | TO MALAKANIA NASLIBARI DA WARAN | Vertical | 20.2 | 22.2 | Vertical | Dogleg | Build | Turn |
| Depth (ft) | Inclination | Azimuth (°) | Depth (ft) | +N/-S (ft) | +E/-W (b) | Section (ft) | Rate (%100usft) | Rate ("/100usft) | Rate (*/100usft) |
| name of the party | (1) | -managarangan kanagan | | | | | al abilitate and | | encon Medical Control |
| 4,919.00 | 1.13 | 153.98 | 4,894.77 | -394.55 | 12.69 | 392.42 | 0.26 | 0.26 | 0.92 |
| 5,013.00 | 1.31 | 152,23 | 4,988.75 | -396,33 | 13.60 | 394.32 | 0.20 | 0.19 | -1.86 |
| 5,107.00 | 1.38 | 152.73 | 5,082.73 | -398.29 | 14.62 | 396.40 | 0.08 | 0.07 | 0.53 |
| 5,202.00 | 1.00 | 101.48 | 5,177.71 | -399.47 | 15.95 | 397.75 | 1,14 | -0.40 | -53.95 |
| 5,296.00 | 0.38 | 30.73 | 5,271.70 | -399.37 | 16,92 | 397.79 | 1.01 | -0.66 | ~75.27 |
| 5,391.00 | 0.31 | 131.98 | 5,366.70 | -399.27 | 17.27 | 397.74 | 0.56 | -0.07 | 106.58 |
| 5,485.00 | 0.38 | 127.98 | 5,460.70 | -399,63 | 17,70 | 398.16 | 0.08 | 0.07 | -4.26 |
| 5,580.00 | 0.44 | 130.36 | 5,555.70 | -400.06 | 18.23 | 398.66 | 0.07 | 0.06 | 2.51 |
| 5,674.00 | 0.69 | 152,11 | 5,649.69 | -400.79 | 18.77 | 399.46 | 0.35 | 0.27 | 23.14 |
| | | : | | | | | | | |
| 5,769.00 | 0.69 | 159,98 | 5,744.68 | -401.84 | 19.23 | 400,56 | 0.10 | 0.00 | 8.28 |
| 5,863.00 | 0.94 | 164.61 | 5,838.68 | -403.11 | 19.63 | 401.88 | 0.27 | 0.27 | 4.93 |
| 5,957.00 | 0.69 | 269.11 | 5,932.67 | -403.86 | 19.27 | 402.57 | 1.38 | -0.27 | 111.17 |
| 6,052.00 | 0.44 | 273.23 | 6,027.66 | -403.85 | 18.33 | 402.43 | 0.27 | -0.26 | 4.34 |
| 6,147.00 | 0.56 | 14.98 | 6,122.66 | -403.38 | 18.09 | 401.93 | 0.82 | 0.13 | 107.11 |
| 6,241.00 | 0.44 | 44.36 | 6,216.66 | -402.68 | 18.46 | 401.29 | 0.30 | -0.13 | 31.26 |
| 6,336.00 | 0.38 | 85,36 | 6,311.66 | -402.40 | 19.03 | 401.29 | 0.30 | -0.13 -0.06 | 43.16 |
| 6,430.00 | 0.36 | 134.61 | 6,405.65 | -402.40 | 19.60 | 401.39 | 0.37 | 0.06 | 52,39 |
| 6,524.00 | 0.69 | 140.86 | 6,499,65 | -403.32 | 20.21 | 402.16 | 0.37 | 0.00 | 6.65 |
| 6,619.00 | 0.50 | 54.98 | 6,594.65 | -403.52 | 20.21 | 402.16 | 0.27 | -0.20 | -90.40 |
| 0,013.00 | 0.50 | 54.50 | 0,004.00 | | 20.91 | 702.70 | 0.07 | -0.20 | -30.40 |
| 6,713.00 | 0.69 | 79.86 | 6,688.64 | -403.19 | 21.80 | 402.25 | 0.34 | 0.20 | 26.47 |
| 6,808.00 | 0.69 | 32.36 | 6,783.64 | -402.60 | 22.67 | 401.80 | 0.59 | 0.00 | -50.00 |
| 6,902.00 | 1.44 | 358.23 | 6,877.62 | -400.94 | 22.94 | 400.19 | 1.01 | 0.80 | -36.31 |
| 6,997.00 | 2.63 | 347.48 | 6,972.56 | -397.62 | 22.43 | 396.83 | 1.31 | 1.25 | -11.32 |
| 7,092.00 | 2.56 | 350,23 | 7,067.46 | -393.41 | 21,60 | 392.54 | 0.15 | -0.07 | 2.89 |
| | | 1 | | | | | | | |
| 7,186.00 | 2.31 | 352.48 | 7,161.38 | -389.46 | 20.99 | 388.55 | 0.28 | -0.27 | 2.39 |
| 7,280.00 | 1.25 | 13.11 | 7,255.33 | -386.58 | 20,98 | 385.70 | 1.30 | -1.13 | 21.95 |
| 7,375.00 | 0.94 | 28.23 | 7,350.31 | -384.89 | 21.58 | 384.10 | 0.44 | -0.33 | 15.92 |
| 7,469.00 | 1.00 | 52.61 | 7,444.30 | -383.71 | 22.60 | 383.08 | 0.44 | 0.06 | 25.94 |
| 7,563.00 | 1.00 | 75.11 | 7,538.29 | -383.00 | 24.04 | 382.58 | 0.42 | 0.00 | 23.94 |
| 7,658.00 | 1.13 | 88.98 | 7,633.27 | -382.77 | 25.78 | 382.60 | 0.30 | 0.14 | 14.60 |
| 7,752.00 | 1.00 | 92,61 | 7,727.25 | -382,79 | 27.53 | 382.86 | 0.16 | -0.14 | 3,86 |
| 7,846.00 | 0.19 | 174.11 | 7,821.25 | -382.98 | 28.36 | 383.17 | 1.05 | -0.86 | 86.70 |
| 7,941.00 | 0.56 | 146.48 | 7,916.25 | -383,53 | 28.63 | 383,75 | 0.42 | 0,39 | -29.08 |
| 8,035.00 | 0.81 | 139.73 | 8,010.24 | -384.42 | 29.32 | 384.73 | 0.28 | 0.27 | -7.18 |
| | | | | | | | | | |
| 8,130.00 | 0.81 | 138.73 | 8,105.23 | -385.43 | 30.19 | 385,86 | 0.01 | 0.00 | -1.05 |
| 8,224.00 | 0.94 | 141.73 | 8,199.22 | -386,54 | 31.11 | 387,08 | 0.15 | 0.14 | 3.19 |
| 8,318.00 | 0.88 | 139.11 | 8,293.21 | -387.69 | 32.06 | 388.35 | 0.08 | -0.06 | -2.79 |
| 8,413.00 | 1.06 | 136.36 | 8,388.19 | -388.88 | 33,14 | 389.68 | 0.20 | 0.19 | -2.89 |
| 8,507.00 | 1.06 | 142.98 | 8,482.18 | -390.20 | 34.27 | 391.15 | 0.13 | 0.00 | 7.04 |
| 8,602.00 | 1.06 | 146.48 | 8,577.16 | -391.63 | 35.28 | 392.71 | 0.07 | 0.00 | 3.68 |
| 8,696.00 | 1.19 | 144.61 | 8,671.14 | -393,16 | 36.33 | 394.36 | 0.14 | 0.14 | -1.99 |
| 8,791.00 | 1.38 | 142.60 | 8,766.12 | -394.87 | 37.59 | 396.23 | 0.21 | 0.20 | -2.12 |
| 8,885.00 | 2.00 | 130.73 | 8,860.08 | -396,84 | 39,52 | 398.46 | 0.75 | 0.66 | -12.63 |
| 8,980.00 | 1.88 | 132.23 | 8,955.02 | -398.97 | 41.93 | 400.90 | 0.14 | -0.13 | 1.58 |

Survey Report

Company: Project: Site: Well: US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N UINTAH_MORGAN STATE 921-36E PAD

Wellions: MORGAN STATE 921-36E1CS
Wellions: MORGAN STATE 921-36E1CS
Design: MORGAN STATE 921-36E1CS

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Database:

Well MORGAN STATE 921-36E1CS

26' RKB + 5007' GL @ 5033,00ft (H&P 298) 26' RKB + 5007' GL @ 5033,00ft (H&P 298)

True

Minimum Curvature

edmp

| Survey Measured Depth inc (ft) | lination (?) | Azimuth (1) | Verifical Dapth (tt) | +N/-S (ft) | A STATE OF THE STA | Vertical Section (ft) | Dogleg Rate (*/\$00usff) | Bulld Rata (*1100msft) | Turn Rate (*/100ustt) | |
|-----------------------------------|-----------------|----------------|----------------------------|-----------------|--|-----------------------------|--------------------------------|------------------------------|-----------------------------|--|
| 9,074.00 | 2.00 | 121.98 | 9,048.97 | -400.87 | 44.47 | 403.14 | 0.39 | 0.13 | -10.90 | |
| 9,169.00 | 2.19 | 116.73 | 9,143.91 | -402.57 | 47.49 | 405.25 | 0.28 | 0.20 | -5.53 | |
| 9,263.00 | 2.00 | 111.36 | 9,237.84 | -403.97 | 50.63 | 407.08 | 0.29 | -0.20 | -5.71 | |
| 9,358.00 | 2.06 | 131.11 | 9,332.78 | -405.70 | 53.46 | 409.18 | 0.74 | 0.06 | 20.79 | |
| 9,452.00 | 2.13 | 140.23 | 9,426.72 | -408.1 5 | 55.85 | 411.95 | 0.36 | 0.07 | 9.70 | |
| LAST MWD SURV | /EY | | 75 | | | | | | | |
| 9,555.00 | 2.13 | 140.23 | 9,529.65 | -411.09 | 58.30 | 415.21 | 0.00 | 0.00 | 0.00 | |
| PROJECTION TO | TD | | | | | | | | | |

| Design Annotations Measured Depth (ft) | Vertical Depth (ft) | Local Coord +N/-S (ft) | inates +E/-W (ft) | Comment |
|---|---------------------------|------------------------------|-------------------------|------------------|
| 2,596.00 | 2,575.62 | -295.95 | 7.60 | TIE ON |
| 2,653.00 | 2,632.09 | -303.75 | 7.90 | FIRST MWD SURVEY |
| 9,452.00 | 9,426.72 | -408.15 | 55.85 | LAST MWD SURVEY |
| 9,555.00 | 9,529.65 | -411.09 | 58,30 | PROJECTION TO TD |

| | | i | | |
|-------|------------|---|--------------|-------|
| 1 (*) | hecked Bv: | 1 | Approved By: | Date: |
| | necked by. | | Approved by. | Date. |
| | | | | |